

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2019 This Form is Open to Public Inspection
---	---	--

Part I	Annual Report Identification Information		
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan ☐ a DFE (specify) ____		
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ▶ ☐		
D	Check box if filing under:	☐ Form 5558 ☐ automatic extension ☐ special extension (enter description)	☒ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>APS HOLDING COMPANY INC. PROFIT SHARING PLAN AND TRUST</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>07/01/1980</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>APS HOLDING COMPANY, INC.</u> <u>C/O CALFEE, HALTER & GRISWOLD, LLP</u> <u>1405 E. 6TH STREET</u> <u>CLEVELAND, OH 44114-1607</u>	2b	Employer Identification Number (EIN) <u>83-4715626</u>
		2c	Plan Sponsor's telephone number <u>216-622-6025</u>
		2d	Business code (see instructions) <u>326100</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	02/05/2021	KEVIN SCHAFFNER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)
v. 190130

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name AUTOMATED PACKAGING SYSTEMS, INC. c Plan Name AUTOMATED PACKAGING SYSTEMS, INC. EMPLOYEES' STOCK OWNERSHIP TRUST AND PLAN	4b EIN 34-0921189 4d PN 002
5 Total number of participants at the beginning of the plan year	5 994
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 917 6a(2) 0 6b 980 6c 19 6d 999 6e 0 6f 999 6g 999 6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2P 2I 2Q b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **0** **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2019
		This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan APS HOLDING COMPANY INC. PROFIT SHARING PLAN AND TRUST	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 APS HOLDING COMPANY, INC.	D Employer Identification Number (EIN) 83-4715626	

Part I	Service Provider Information (see instructions)
---------------	--

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PENCHECKS

33-6134835

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	NONE	40270	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ALERUS

45-6062081

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	24158	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BALLARD SPAHR

1675 BROADWAY, 19TH FLR
NEW YORK, NY 10019

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	7149	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan APS HOLDING COMPANY INC. PROFIT SHARING PLAN AND TRUST		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 APS HOLDING COMPANY, INC.		D Employer Identification Number (EIN) 83-4715626

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	3299	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	1296831	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	2327377	4037173
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	221270673	57922618
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	224898180	61959791

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	16363463	0
j Other liabilities	1j	3299	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	16366762	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	208531418	61959791
---	-----------	-----------	----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2862305	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2862305
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	392763	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		392763
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	194784279	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		194784279
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	13822444	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	12163751	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		1658693
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-151184305	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-151184305

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		48513735

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	194706189	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		194706189
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		307597
i Administrative expenses: (1) Professional fees	2i(1)	31306	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	40270	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		71576
j Total expenses. Add all expense amounts in column (b) and enter total	2j		195085362

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-146571627
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GRANT THORNTON, LLP

(2) EIN: 36-6055558

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		40000000
4e	X		40000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	X		57922618
4g	X		57922618
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☒ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____ . (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection.
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan APS HOLDING COMPANY INC. PROFIT SHARING PLAN AND TRUST		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 APS HOLDING COMPANY, INC.		D Employer Identification Number (EIN) 83-4715626
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 45-6062081 33-6134835		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month Day Year If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☒ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☒ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☒ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☒ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2019 v. 190130		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Financial Statements and Report of
Independent Certified Public Accountants

**APS Holding Company, Inc. Profit Sharing Plan
and Trust (formerly known as Automated
Packaging Systems, Inc. Employees' Stock
Ownership Trust and Plan)**

December 31, 2019 and 2018

Contents

Report of Independent Certified Public Accountants	3-4
Statements of Net Assets Available for Benefits as of December 31, 2019 (liquidation basis) and 2018 (ongoing basis)	5
Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2019 (liquidation basis)	6
Notes to Financial Statements	7-16
Supplementary Information:	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2019	17
Schedule H, Line 4j – Schedule of Reportable Transactions for the year ended December 31, 2019	18

GRANT THORNTON LLP

1375 East 9th Street, Suite 1500
Cleveland, OH 44114-1718

D +1 216 771 1400

F +1 216 771 1409

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Trustees of the APS Holding Company, Inc.
Profit Sharing Plan and Trust

Report on the financial statements

We were engaged to audit the accompanying financial statements of APS Holding Company, Inc. Profit Sharing Plan and Trust (formerly known as the Automated Packaging Systems, Inc. Employees' Stock Ownership Trust and Plan) (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2019 (liquidation basis), and the related statement of changes in net assets available for benefits for the year ended December 31, 2019 (liquidation basis), and the related notes to the financial statements.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these 2019 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion on the 2019 Financial Statements paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2019 financial statements.

Basis for disclaimer of opinion on the 2019 financial statements

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified information described in Note H, except for comparing such information with the related information included in the 2019 financial statements. We have been informed by the Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The Plan administrator obtained a certification from this entity as of December 31, 2019, and for the year then ended, stating that the certified information provided to the Plan administrator is complete and accurate.

Disclaimer of opinion on the 2019 financial statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2019 Financial Statements paragraph, we have not been able to

obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2019 financial statements. Accordingly, we do not express an opinion on the 2019 financial statements.

Emphasis of matter

As discussed in Note A to the financial statements, the governing body of APS Holding Company, Inc., the Plan Sponsor, approved a plan of liquidation effective August 1, 2019 for the Plan, in which management determined liquidation is imminent. As a result, the Plan has changed its basis of accounting from the ongoing basis used in presenting the 2018 financial statements to the liquidation basis used in presenting the 2019 financial statements. Our disclaimer of opinion is not modified with respect to that matter.

Other matter - supplementary information

The supplemental schedules of assets (held at end of year) as of December 31, 2019 and reportable transactions for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion on the 2019 Financial Statements paragraph, we do not express an opinion on the supplemental schedules.

Other matter – report on the 2018 financial statements

We have audited the 2018 financial statements of the Plan, which comprise the statement of net assets available for benefits as of December 31, 2018 (ongoing basis), and the related statement of changes in net assets available for benefits for the year then ended (ongoing basis) (not presented herein), and in our report dated October 11, 2019, we expressed our opinion that such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2018, and the changes in net assets available for benefits for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on form and content in compliance with DOL rules and regulations for the 2019 financial statements

The form and content of the information included in the 2019 financial statements and supplemental schedules, other than that derived from the certified information described in Note H, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



Cleveland, Ohio
February 4, 2021

APS Holding Company, Inc. Profit Sharing Plan and Trust

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

As of December 31, 2019 and 2018

	<u>2019 (Liquidation Basis)</u>	<u>2018 (Ongoing Basis)</u>		
		<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Assets:				
Investments, at fair value:				
Common stock	\$ 57,922,618	\$ 178,220,658	\$ 43,050,015	\$ 221,270,673
Money market funds	3,314,460	2,327,377	-	2,327,377
Contribution receivable	13,689	-	3,299	3,299
Dividends receivable	-	1,296,831	-	1,296,831
Other	733,182	-	-	-
Accrued liquidation income	21,119	-	-	-
	<u>62,005,068</u>	<u>181,844,866</u>	<u>43,053,314</u>	<u>224,898,180</u>
Total assets				
Liabilities:				
Loans payable	-	-	16,363,463	16,363,463
Interest payable	-	-	3,299	3,299
Accrued administrative fees	24,158	-	-	-
Accrued liquidation costs	602,007	-	-	-
	<u>626,165</u>	<u>-</u>	<u>16,366,762</u>	<u>16,366,762</u>
Total liabilities				
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 61,378,903</u>	<u>\$ 181,844,866</u>	<u>\$ 26,686,552</u>	<u>\$ 208,531,418</u>

The accompanying notes to financial statements are an integral part of these statements.

APS Holding Company, Inc. Profit Sharing Plan and Trust

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2019 (Liquidation Basis)

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions:			
Investment income:			
Interest and dividend income	\$ 195,177,041	\$ -	\$ 195,177,041
Net (depreciation) appreciation in fair value of common stock	(154,338,130)	4,812,518	(149,525,612)
Company contributions	13,689	2,848,616	2,862,305
Allocation of 140,392 shares of common stock, at fair value	<u>34,040,090</u>	<u>-</u>	<u>34,040,090</u>
Total additions	74,892,690	7,661,134	82,553,824
Deductions:			
Interest expense	-	(307,596)	(307,596)
Distributions to participants	(194,706,189)	-	(194,706,189)
Allocation of 140,392 shares of common stock, at fair value	-	(34,040,090)	(34,040,090)
Administrative expenses	<u>(71,576)</u>	<u>-</u>	<u>(71,576)</u>
Total deductions	<u>(194,777,765)</u>	<u>(34,347,686)</u>	<u>(229,125,451)</u>
NET DECREASE	(119,885,075)	(26,686,552)	(146,571,627)
Adjustments to liquidation basis	(580,888)	-	(580,888)
Net assets available for benefits – beginning of year (ongoing basis)	<u>181,844,866</u>	<u>26,686,552</u>	<u>208,531,418</u>
Net assets available for benefits – end of year (liquidation basis)	<u>\$ 61,378,903</u>	<u>\$ -</u>	<u>\$ 61,378,903</u>

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE A – SUMMARY OF THE PLAN

The following summary of the APS Holding Company, Inc. Profit Sharing Plan and Trust (the “Plan”) provides only general information. Participants should refer to the Plan Document and Trust Agreement for more complete information. The Plan was formerly known as the Automated Packaging Systems, Inc. Employees’ Stock Ownership Trust and Plan. The plan name changed effective August 1, 2019. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan is administered by an Advisory Committee and Alerus Financial, N.A. (the “Trustee”), serves as the trustee of the Plan.

The Plan was established effective July 1, 1980, for employees of Automated Packaging Systems, Inc. (“APS”). Through August 1, 2019, the Plan operated as a leveraged employee stock ownership plan (“ESOP”) and was designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code (the “Code”).

Effective September 30, 2010, the Plan purchased 128,948.50 shares of APS common stock from a shareholder using the proceeds of a \$6,930,982 loan obtained directly from APS (Note G). The amount and repayment terms of the loan from APS were identical to those of a loan which APS had with a bank. Debt service requirements were met through discretionary APS contributions and S-Corporation distributions from APS. The bank borrowing was collateralized by the unallocated shares of stock held by the Plan. The lender had no rights against shares once they were allocated to participants in the Plan. As the borrowings were repaid, an appropriate percentage of stock was allocated to eligible employees’ accounts in accordance with the ESOP provisions of the Plan.

Effective December 12, 2017, the Plan purchased 192,531 shares of APS common stock from APS using the proceeds of a \$16,542,186 loan obtained directly from APS (Note G). Debt service requirements were met through discretionary APS contributions and S-Corporation distributions from APS. The borrowings were collateralized by the unallocated shares of stock held by the ESOP. As the borrowings were repaid, an appropriate percentage of stock was allocated to eligible employees’ accounts in accordance with the ESOP provisions of the Plan.

The statement of net assets available for benefits as of December 31, 2018 and the statement of changes in net assets available for benefits for the year ended December 31, 2019 present separately the assets, liabilities and changes therein pertaining to:

- a. the accounts of employees with vested rights in allocated stock (Allocated), and
- b. stock not yet allocated to employees (Unallocated)

As a result of the conversion matter discussed below, the presentation format described above was not applicable for the statement of net assets available for benefits as of December 31, 2019.

Plan Conversion and Termination

On August 1, 2019, all shareholders of APS, including the Plan, exchanged their existing shares in APS for a like number of shares in APS Holding Company, Inc. (the “Company” or “Plan Sponsor”) resulting in APS becoming a wholly-owned subsidiary of the Company. Subsequently, on August 1, 2019, APS was converted to a limited liability company and the Company sold its sole membership interest in APS to an unrelated third party (the “Purchaser”) (the “Transaction”). As a result of the Transaction, substantially all employees of APS became employees of the Purchaser. The Transaction was approved by vote of the shareholders of the Company, including pass through voting by Plan participants of the shares allocated to their accounts and the Trustee voting unallocated shares.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

In connection with the Transaction, the Trustee acted as an independent trustee and obtained an opinion from an independent financial advisor that concluded that the purchase price for APS was not less than fair market value and that the terms of the Transaction were fair to the Plan from a financial perspective.

Immediately prior to the Transaction, 55,290 unallocated shares were redeemed by the Company at an estimated aggregate fair value of \$13,822,443 to repay the then existing outstanding balance on the loans payable. The number of unallocated shares redeemed by the Company is subject to change pending the resolution by the Company and the Purchaser of an amount which remains in escrow in relation to the Transaction. After the share redemption, the remaining 105,127 unallocated shares held by the Plan were released from serving as collateral for the loans and such shares were allocated to Plan participants.

Also, effective on August 1, 2019, the Plan was amended through a "Termination Amendment", at which time sponsorship of the Plan was transferred from APS to the Company, the ESOP provisions of the Plan were terminated, and the Plan was converted from an ESOP to a profit-sharing plan (the "Conversion"). Per the provisions of the Termination Amendment, the Plan was terminated and the governing body of the Company approved a plan of liquidation effective August 1, 2019, and determined that liquidation of the Plan was imminent. All participants became fully vested in their account balance upon the Conversion.

In 2019, participants' balances in the Plan were partially liquidated and distributed, the remainder will be liquidated and distributed to participants at a future date. In connection with the Transaction and under the terms of the Termination Amendment, the Company paid \$190,089,566 to the Plan in October 2019, which represented approximately 80% of the Plan's estimated proportionate share of the proceeds from the sale of APS, which amount is included in interest and dividend income on the statement of changes in net assets available for benefits for the year ended December 31, 2019. Following the receipt of these sale proceeds from the Company, and consistent with the objective to liquidate the Plan, the Plan allowed participants to elect to withdraw a substantial portion of their respective account balances in November and December of 2019 and such elected participant withdrawals aggregated to \$194,706,189, which amount is included in distributions to participants on the statement of changes in net assets available for benefits for the year ended December 31, 2019.

Eligibility

Employees of APS became participants in the Plan on December 31 of the year they had completed six months of service, as defined, and upon attaining the age of 18. An employee was required to be an active employee at the end of the Plan year in order to receive a contribution allocation.

Upon Conversion, all participants of the Plan under the ESOP provisions, remained participants of the Plan under the profit-sharing provisions; however, the Plan was frozen to new entrants.

Payment of Benefits

A participant or his or her beneficiary was eligible for benefit payments upon termination of employment, death, retirement, or disability, as defined by the ESOP provisions of the Plan. Distributions of participant accounts in the form of cash could be made in a lump sum, a series of nearly equal installments payable from the Plan over a specified period of years, or in the form of a rollover to another qualified plan.

Effective October 1, 2017, APS amended the Plan to change the available methods of benefit distributions. If a participant's account balance was less than \$215,000, it was paid in one installment.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

All distributions of account balances in excess of \$215,000 were paid in nearly equal annual installments, with the number of annual installments being equal to the participant's account balance as of the date distributions commenced divided by \$215,000 and rounded up to the nearest whole number.

In addition, participants who received any allocation of money purchase pension contributions under the ESOP provisions of the Plan with respect to the period from January 1, 2001 until March 1, 2003 were entitled to receive benefits in the form of an annuity contract, including, if married, in the form of a joint and survivor annuity, under which individuals receive retirement benefit payments during his or her life, with the provision that after death fifty percent or seventy-five percent of his or her monthly retirement benefit shall continue and be paid to the participant's spouse.

The ESOP provisions had also provided that distributions were payable in cash, or, at such time as the sponsor is not a Subchapter S Corporation, also in shares. In the event of any distributions in shares, the Plan also provided that until such time as the shares are publicly traded, all shares distributed by the Trustee may be subject to a right of first refusal. This right provided that prior to any subsequent transfer, the shares must first be offered by written offer to the Plan, and if refused by the Plan, to APS.

Under the terms of the Termination Amendment, the form of benefit payment is a lump sum cash distribution. As prescribed by the Termination Amendment, each participant in the Plan is entitled to an initial distribution of approximately 80% of their account balance within 60 days of the Termination Amendment. Other than the benefit payments described above, no benefit payments shall begin or commence on or after August 1, 2019, regardless of whether the process to commence benefits began before August 1, 2019. The remaining approximate 20% of participants' account balances will be distributed at a future date, which is at the discretion of the Company.

Participant Accounts

The Plan provided for the establishment of accounts, which represent each participant's interest in the net assets of the Plan. Under the ESOP provisions of the Plan, contributions could be received in the form of shares of common stock of APS or cash. Contributions were allocated to participant accounts based on each participant's relative percentage of compensation to total participant compensation, limited to the maximum allowable under the Code. Forfeited shares were reallocated to remaining participants. The allocation of forfeitures to the remaining participants' accounts was performed on the annual allocation date based on each participant's relative percentage of compensation to total participant compensation. Forfeitures of terminated nonvested account balances allocated to remaining participants at December 31, 2019 and 2018 totaled \$0 and \$305,609, respectively. The allocation of investment income and realized or unrealized gains and losses was also performed on the annual allocation date based upon the relative value of each participant's account subsequent to the allocation of forfeitures and prior to the allocation of contributions.

Under the ESOP provisions of the Plan, each participant's account was credited as of the last day of each plan year with an allocation of shares of APS common stock released by the Trustee from the unallocated account as a result of the repayment of borrowings. Allocations were based on each participant's compensation as a percentage of total participant compensation.

The annual allocation date was generally December 31 of each respective plan year. In connection with the Conversion, a final allocation under the ESOP provisions of the Plan was completed as of August 1, 2019.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

Under the profit-sharing provisions of the Plan, the allocation of net investment income and realized or unrealized gains and losses is performed on the annual allocation date based upon the relative value of each participant's account.

Vesting

Under the ESOP provisions of the Plan, shares allocated to participants vested based on years of service as follows:

<u>Years of Vesting Service</u>	<u>Vested Percentage</u>
Less than 2 years	0%
2 but less than 3 years	20%
3 but less than 4 years	40%
4 but less than 5 years	60%
5 but less than 6 years	80%
6 or more years	100%

On August 1, 2019, all participants became fully vested in their account balance upon the termination of the ESOP provisions of the Plan.

Voting Rights

Under the ESOP provisions of the Plan, each participant was entitled to exercise voting rights attributable to the shares allocated to his or her account with regards to any corporate matter which involved the voting of such shares as defined in Section 409(e) of the Code, and was notified by the Trustee prior to the time that such rights were to be exercised. The Trustee could vote any shares for which he had not received directions from the participant as directed by the Advisory Committee, as established by the Plan. The Advisory Committee had the right to vote all unallocated shares in the Plan. The Advisory Committee also had the right to vote all allocated shares for any corporate matter that did not comply with the provisions noted above.

Put Option

Under the ESOP provisions of the Plan, in the event shares were distributed to a participant and such shares were not publicly traded, or were subject to trading limitations, APS was required to grant the participant an option to require APS or the Plan to purchase and redeem such shares. The put price of these shares was required to be the fair market value of the stock, at the time of distribution. APS was required to pay the purchase price as either a lump sum payment to the participant, a rollover payment to a qualified plan, or an installment payment plan not to exceed five years, with interest being accrued on the outstanding amount.

Diversification

Under the ESOP provisions of the Plan, diversification was offered to participants that had attained age fifty-five and had completed ten years of participation in the Plan. Diversification was offered to each eligible participant over a six-year period. In each eligibility year that the participant was under age sixty, a participant may have diversified up to 25 percent of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In each eligibility year that a participant was age sixty or over, the participant may have diversified up to 50 percent of post-1986 shares, less any shares previously diversified. The amount that a participant could diversify was limited to their vested account balance at the time of their diversification, and such amounts were transferred to the Automated Packaging Systems, Inc. Employee Capital Accumulation Plan, a separate plan sponsored by APS.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP"). As discussed in Note A to the financial statements, the governing body of the Company approved a plan of liquidation effective August 1, 2019, and determined that liquidation of the Plan is imminent. As a result, the Plan changed its basis of accounting from the going concern basis used in presenting the 2018 financial statements, to the liquidation basis used in presenting the 2019 financial statements, and has accrued for all future income the Plan expects to earn and all future costs the Plan reasonably expects to incur until liquidation is complete.

Contributions

Under the ESOP provisions of the Plan, APS was obligated to make contributions in cash to the Plan which, when aggregated with dividends and interest earnings, would at least equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loans. Contributions in excess of debt service payments were allocated to participants' accounts. Discretionary contributions of cash or shares were accrued as declared. APS could make such discretionary contributions in shares, cash, or other property as determined by APS in its sole discretion. Total contributions by APS to the Plan were \$2,862,305 in 2019, all of which was used for debt service payments, resulting in 35,265 shares being released and allocated to participants during 2019.

Under the profit-sharing provisions of the Plan, the Company shall not make any contributions to the Plan.

Interest and Dividend Income

As APS operated as a Subchapter S Corporation, periodic distributions were made by APS to shareholders to cover personal tax liability on pass-through income from APS. Although the Plan is tax exempt, it was entitled to receive its proportionate share of any distributions paid by APS. Dividends on unallocated shares could be used for debt service or allocated to participants, at the discretion of the Plan. In 2019, the Plan recognized \$3,173,824 in S Corporation distributions from APS, which are included in interest and dividend income in the accompanying statement of changes in net assets available for benefits.

As the Company operates as a Subchapter S Corporation, periodic distributions are made by the Company to shareholders to cover personal tax liability on pass-through income from the Company. Although the Plan is tax exempt, it is entitled to receive its proportionate share of any distributions paid by the Company. In 2019, the Plan recognized \$191,610,454 in S Corporation distributions from the Company, which are included in interest and dividend income in the accompanying statement of changes in net assets available for benefits.

Administrative Expenses

Under the ESOP provisions of the Plan, administrative expenses, such as legal, accounting, recordkeeping, and trustee fees were paid by APS. Under the profit-sharing provisions of the Plan, administrative expenses are paid by the Plan.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is estimated as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note D for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Investment income is determined on the accrual basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

NOTE C – INVESTMENTS

The Plan's investment in Company common stock at December 31, 2019, and APS common stock at December 31, 2018, is presented in the following table:

	2019	2018	
		Allocated	Unallocated
Common stock:			
Number of Shares	950,486	810,094	195,682
Cost	\$ 49,740,718	\$ 38,312,419	\$ 16,100,889
Fair Value	\$ 57,922,618	\$178,220,658	\$ 43,050,015

NOTE D – FAIR VALUE MEASUREMENTS

The Plan follows the fair value accounting guidance that establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plans have the ability to access

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

The Plan's investment in Company common stock at December 31, 2019 and APS common stock at December 31, 2018 are valued at fair value. As of December 31, 2019, the principal valuation technique used for the fair value of Company common stock was a net asset value approach, and the unobservable inputs to the valuation are estimated future cash proceeds from the final settlement of the Transaction, estimated future income and expenses with an estimated discount rate applied, and a discount for lack of marketability.

As of December 31, 2018, the fair value of APS common stock was determined by an annual independent appraisal. The appraisal was based on a combination of the market and income valuation techniques, including a discounted cash flow technique using the Capital Asset Pricing Model to determine the fair value. The appraiser took into account historical and projected cash flows and net income, return on assets, return on equity, market comparables and estimated fair value of APS assets and liabilities. Additionally, the appraiser took into account other qualitative and quantitative factors when determining the fair value of the APS common stock. Plan management concluded that a market participant would also recognize a discount for lack of marketability. The valuation process involved the Trustee selecting an appraiser. Additionally, Plan management accumulated APS's historical financial data from the audited financial statements of APS, prepared projections and approved the group of comparable public companies utilized by the appraiser. The appraiser prepared a preliminary report which ESOP management reviewed in detail, discussed and approved.

The money market account is valued based on a quoted market price on an active exchange. Money market funds invested in by the Plan seek to preserve the value of the investment at \$1.00 per share.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2019:

	Assets at Fair Value as of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Company common stock	\$ -	\$ -	\$ 57,922,618	\$ 57,922,618
Money market funds	3,314,460	-	-	3,314,460
Total assets at fair value	\$ 3,314,460	\$ -	\$ 57,922,618	\$ 61,237,078

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018:

	Assets at Fair Value as of December 31, 2018			
	Level 1	Level 2	Level 3	Total
APS common stock	\$ -	\$ -	\$ 221,270,673	\$ 221,270,673
Money market funds	2,327,377	-	-	2,327,377
Total assets at fair value	\$2,327,377	\$ -	\$ 221,270,673	\$ 223,598,050

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2019:

	Common Stock
Balance, beginning of year	\$ 221,270,673
Redemption of shares to repay loans payable	(13,822,443)
Net depreciation in fair value	(149,525,612)
Balance, end of year	<u>\$ 57,922,618</u>
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	<u>\$(179,698,886)</u>

NOTE E – TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed Plan management by letter dated March 22, 2016, that the Plan is qualified and the Trust established under the Plan is tax-exempt, under the appropriate sections of the Code.

As required by the Termination Amendment, the Plan applied for a new determination letter in November 2019. The IRS has determined and informed Plan management by letter dated December 2, 2020, that the termination of the Plan does not affect its qualifications for federal tax purposes. Accordingly, no provisions for income taxes has been included in the financial statements.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2019 and 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

The Plan is subject to routine audits by the IRS; however, there are currently no audits for any tax periods in progress.

NOTE F – RISKS AND UNCERTAINTIES

The Plan's investments consist primarily of private company common stock, which is exposed to various risks, such as interest rate, credit and market risks, as well as valuation assumptions based on earnings, cash flows and/or other such techniques.

Due to the level of risk associated with the investment in common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

NOTE G – LOANS PAYABLE

In connection with the 2010 stock purchase transaction described in Note A, the Plan secured a \$6,930,982 term loan directly from APS. Unallocated shares were collateral for the loan. The loan accrued interest at a fixed rate of 4.29% and was payable in 40 quarterly installments of principal and interest which commenced on September 30, 2010.

In connection with the 2017 stock purchase transaction described in Note A, the Plan secured a \$16,542,186 loan directly from APS. Unallocated shares were collateral for the loan. Interest accrued at a fixed rate of 3.3425% and was payable in 40 quarterly installments of principal and interest which commenced on March 31, 2018.

As further described in Note A, both loans were repaid in full on August 1, 2019.

NOTE H – INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

For the year ended December 31, 2019, the Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Plan's Trustee, Alerus Financial, N.A., has certified that the following data included in the accompanying financial statements and supplemental schedules is complete and accurate:

- Investments, at fair value as shown in the statement of net assets available for benefits as of December 31, 2019
- Interest and dividend income and net (depreciation) appreciation in fair value of common stock as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2019
- Supplemental schedule H, line 4i – schedule of assets (held at end of year) as of December 31, 2019 and;
- Supplemental schedule H, line 4j – schedule of reportable transactions for the year ended December 31, 2019.

The Plan's independent accountants did not perform any auditing procedures with respect to the certified information, except for comparing such information to the related information included in the financial statements and supplemental schedules.

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 and 2018

NOTE I – PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in the common stock of the Plan sponsor, APS through August 1, 2019 and the Company subsequent to August 1, 2019. Accordingly, the transactions in such investments qualify as exempt party-in-interest transactions as defined by ERISA.

NOTE J – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31, 2019
Net assets available for benefits per the financial statements	\$ 61,378,903
Adjustments to liquidation basis:	
Accrued liquidation income	(21,119)
Accrued liquidation costs	602,077
Net assets per Form 5500	\$ 61,959,791

The following is a reconciliation of net decrease per the financial statements to net loss per the Form 5500:

	December 31, 2019
Net decrease, adjusted for liquidation basis per financial statements	\$ (147,152,515)
Differences in:	
Adjustments to liquidation basis	580,888
Net loss per Form 5500	\$ (146,571,627)

NOTE K – SUBSEQUENT EVENTS

The Plan evaluated its December 31, 2019 financial statements for subsequent events through February 4, 2021, the date the financial statements were available to be issued.

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (“COVID-19”) a global pandemic causing significant fluctuations in financial markets. The extent of the impact on the Plan’s net assets available for benefits will depend on the duration and continued spread of the outbreak, including any further developments. Management has not determined the full financial impact of these events.

On January 29, 2021, the Board of Directors of the Company approved and declared a \$45 per share dividend payable to shareholders in February 2021. The Plan is not aware of any other subsequent events which would require recognition or disclosure in the financial statements.

APS Holding Company, Inc. Profit Sharing Plan and Trust

SCHEDULE H, LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS

For the year ended December 31, 2019

Employer Identification Number: 83-4715726

Plan Number: 002

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain or (Loss)
Category (i) – Individual transactions in excess of 5% of Plan assets:						
	Federated Government Obligations Fund - Purchased	\$ 190,089,566	\$ -	\$ -	\$ 190,089,566	\$ -
	Federated Government Obligations Fund - Sold	-	52,752,425	52,752,425	52,752,425	-
	Federated Government Obligations Fund - Sold	-	142,686,946	142,686,946	142,686,946	-
	Exchange of APS shares	-	209,106,923	209,106,923	209,106,923	-
	Exchange of APS Holding Company, Inc. shares	209,106,923	-	-	209,106,923	-
Category (iii) – Series of transactions in excess of 5% of Plan assets:						
	Federated Government Obligations Fund - Purchased	196,473,872	-	-	196,473,872	-
	Federated Government Obligations Fund - Sold	-	195,486,790	195,486,790	195,486,790	-

APS Holding Company, Inc. Profit Sharing Plan and Trust

**SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)**

As of December 31, 2019

Employer Identification Number: 83-4715726

Plan Number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of Investment, including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
	* APS Holding Company, Inc.	Common Stock	\$49,740,718	\$57,922,618
	Federated Government Obligations Fund	Money Market	3,314,460	3,314,460
			\$ 53,055,178	\$ 61,237,078

* Denotes a party-in-interest