

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2020</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>	
A	This return/report is for: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ a multiemployer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☒ a single-employer plan </div> <div> ☐ a DFE (specify) ____ </div> </div>
B	This return/report is: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ the first return/report </div> <div> ☐ the final return/report </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ an amended return/report </div> <div> ☐ a short plan year return/report (less than 12 months) </div> </div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☒ Form 5558 </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div> <div style="margin-top: 5px;"> ☐ special extension (enter description) </div>

Part II	Basic Plan Information—enter all requested information		
1a	Name of plan <u>SCHAFFNER 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>08/01/2014</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>SCHAFFNER</u> <u>2550 BROOK PARK ROAD</u> <u>CLEVELAND, OH 44134</u>	2b	Employer Identification Number (EIN) <u>45-2972118</u>
		2c	Plan Sponsor's telephone number <u>216-706-5061</u>
		2d	Business code (see instructions) <u>335310</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.	09/01/2021	JUDY COX
	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 (2020)
v. 200204

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 c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	135
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.....		6a(1)	108
a(2) Total number of active participants at the end of the plan year		6a(2)	86
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	34
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	120
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	120
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	78
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
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: 2F 2G 2J 2K 2T 2E 3D			
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) ☐ <u>0</u> 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 2020 Form M-1 annual report. If the plan was not required to file the 2020 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
		2020
		This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan SCHAFFNER 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 SCHAFFNER	D Employer Identification Number (EIN) 45-2972118	

Part I	Service Provider Information (see instructions)
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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
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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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)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
60 64 65	RECORDKEEPER	350	Yes ☒ No ☐	Yes ☒ No ☐	0	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 ☐

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
ABF SM CAP VAL R5 - DST ASSET MANA 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.04%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
HARBOR INTL INST - HARBOR SERVICES 34-1953399	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
MFS INTL INTR VAL R4 - MFS SERVICE 04-2865649	0.15%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
MFS VALUE R4 - MFS SERVICE CENTER 04-2865649	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
THORNBURG INT VAL R5 - DST ASSET M 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
TOUCHSTN MIDCPGR IS - BNY MELLON I P.O. BOX 9793 PROVIDENCE, RI 02940	0.07%	

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
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(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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2020 This Form is Open to Public Inspection
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>		
A Name of plan <u>SCHAFFNER 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SCHAFFNER</u>	D Employer Identification Number (EIN) <u>45-2972118</u>	

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 0 0
b Receivables (less allowance for doubtful accounts):	
(1) Employer contributions	1b(1) 0 0
(2) Participant contributions.....	1b(2) 0 0
(3) Other	1b(3) 0 0
c General investments:	
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1) 41462 46320
(2) U.S. Government securities	1c(2) 0 0
(3) Corporate debt instruments (other than employer securities):	
(A) Preferred	1c(3)(A) 0 0
(B) All other	1c(3)(B) 0 0
(4) Corporate stocks (other than employer securities):	
(A) Preferred	1c(4)(A) 0 0
(B) Common	1c(4)(B) 0 0
(5) Partnership/joint venture interests	1c(5) 0 0
(6) Real estate (other than employer real property)	1c(6) 0 0
(7) Loans (other than to participants)	1c(7) 0 0
(8) Participant loans	1c(8) 58622 45048
(9) Value of interest in common/collective trusts	1c(9) 0 0
(10) Value of interest in pooled separate accounts	1c(10) 0 0
(11) Value of interest in master trust investment accounts	1c(11) 0 0
(12) Value of interest in 103-12 investment entities	1c(12) 0 0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13) 3074236 2929001
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14) 0 0
(15) Other.....	1c(15) 0 0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	3174320	3020369

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f).....	1l	3174320	3020369
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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)	84517	
(B) Participants	2a(1)(B)	161357	
(C) Others (including rollovers).....	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	245874
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	97	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	1542	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1639
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	205942	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		205942
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		110511
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		563966

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	717567	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		717567
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other.....	2i(4)	350	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		350
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		717917

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-153951
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan	2l(2)		0

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 Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: FOTI, FLYNN, LOWEN & CO

(2) EIN: 20-8087076

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.)

	Yes	No	Amount
4a		X	

	Yes	No	Amount
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.)			
4b		X	
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.)			
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.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
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?			
4g		X	
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?			
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.)			
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?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
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		X	

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 _____.

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan SCHAFFNER 401(K) PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 SCHAFFNER		D Employer Identification Number (EIN) 45-2972118
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
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): 04-6568107		
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) 2020 v. 200204		

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 deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

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 _____

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES**

YEAR ENDED DECEMBER 31, 2020

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

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PRELIMINARY FOR DISCUSSION PURPOSES ONLY

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Schaffner 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Schaffner 401(k) Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 2020 and 2019, the related Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2020, 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 for 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 financial statements based on conducting the audits 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 paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 information summarized in the note titled "Information Prepared and Certified by Trustee", which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2020 and 2019 and for the year ended December 31, 2020, that the information provided to the plan administrator by the trustee is complete and accurate.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matters

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2020, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the other matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, 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.

Joti, Flynn, Lawen & Company, P. C.

Roanoke, Virginia
September 01, 2021

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Investments, at fair value:		
Money market	\$ 46,320	\$ 41,462
Shares of registered investment companies	<u>2,929,001</u>	<u>3,074,236</u>
 Total investments, at fair value	<u>2,975,321</u>	<u>3,115,698</u>
 Receivables -		
Participant notes receivable	<u>45,048</u>	<u>58,621</u>
 Total receivables	<u>45,048</u>	<u>58,621</u>
 NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 3,020,369</u>	<u>\$ 3,174,319</u>

See accompanying notes to financial statements.

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2020

ADDITIONS TO NET ASSETS:

Investment income:

Dividends and interest \$ 206,024

Net appreciation of investments 110,510

Total investment income 316,534

Interest income on notes receivable from participants 1,542

Contributions:

Employer 84,517

Employee 161,357

Total contributions 245,874

Total additions 563,950

DEDUCTIONS FROM NET ASSETS:

Benefits paid to participants 717,567

Administrative expenses 333

Total deductions 717,900

Net decrease (153,950)

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year 3,174,319

End of year \$ 3,020,369

See accompanying notes to financial statements.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF PLAN:

The following description of the Schaffner 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of Schaffner (the “Company”) who are age twenty-one or older. Employees covered by a collective bargaining agreement, leased employees, and nonresident aliens are excluded from the Plan. Part time employees are eligible to participate if they are at least twenty-one and have at least 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Administration

The Company is the Plan administrator. All assets of the Plan are held by the trustee, Fidelity Management Trust Company (“Fidelity”).

CARES Act

In March 2020, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was signed into law. As required, the Plan suspended required minimum distributions for the year ended December 31, 2020. The Plan did not elect to implement certain provisions of the CARES Act for the year ended December 31, 2020 that are available to tax qualified retirement plans and their participants. These provisions include, among other things, permitting special COVID-19 related distributions of up to \$100,000, increasing the maximum amount of Plan loans to participants to \$100,000 or 100% of their vested account balance, deferring repayments on certain Plan loans.

Contributions

Employee Contributions: Plan participants can elect to contribute up to 75% of their compensation, not to exceed the allowable amount under Section 402(g) of the Internal Revenue Code (“IRC”). Participants who have obtained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may designate their contributions as pre-tax or post-tax deferrals. Contributions are based upon total compensation, which includes all compensation that is paid for or made available during the Plan year, excluding any compensation received (a) while being a member of an ineligible class of employees, (b) prior to the date of becoming a participant, and (c) various other benefits and allowances outlined in the Plan agreement. Total compensation will also include any employee pre-tax contributions made under the Plan. Contributions made by highly compensated employees may be restricted by dollar limits set annually by the Internal Revenue Service (“IRS”). Participants’ contributions are made through automatic payroll deductions every pay period. Pre-tax deferral contributions and related earnings are not taxable to the participant until they are withdrawn from the Plan.

Rollovers: Participants who were members of a former employer’s qualified plan may elect to make a rollover contribution from that plan to the Plan.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

1. DESCRIPTION OF PLAN – (Continued):

Employer Contributions: The Company shall make matching employer contributions on behalf of its eligible participants in accordance with a safe harbor match formula. The formula is 100% of the first 3% of plan compensation contributed to the Plan and 50% of the next 2% of plan compensation contributed to the Plan. In addition, the Company may make additional discretionary matching contributions. These discretionary contributions will be allocated following the end of the Plan year to all participants eligible to share therein. There were no discretionary employer contributions for the year ended December 31, 2020.

Plan Compensation

Eligible compensation is defined as gross wages, excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals to the Plan), welfare benefits, unused leave, and differential wages. For the employee's first year of participation, eligible compensation is recognized as of the first date the participant entered the Plan. Compensation is subject to a limitation of \$285,000 for 2020, as prescribed by the IRS regulations.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution, (b) Plan earnings or losses, and (c) charged with an allocation of any administrative expenses paid by the Plan. Allocations are made based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions, rollover contributions, and employer safe harbor matching contributions. Vesting in the Company's non-elective and discretionary matching employer contribution portions of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after five years of service. A participant who becomes permanently disabled or dies while in the employment of the Company will have a 100% vested interest in his or her account. A participant's vesting schedule is as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1 year	0%
1 years	20%
2 years	40%
3 years	60%
4 years	80%
5 years	100%

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

1. DESCRIPTION OF PLAN – (Continued):

Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less. The remaining balance in the borrowing participant's retirement account secures the loan. Five years is the maximum loan term allowable under the plan unless the loan is for the purchase of the participant's primary residence. The interest rate on the loan shall be a reasonable rate of interest as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions. If a participant defaults on the loan, the Trustee may foreclose on the note and offset the participant's vested interest in the balance of the participant's account.

Investment Options

Under the Plan, the participant may direct the investment of both the Company and his or her contributions. Participants may change their investment options daily.

Forfeitures

Forfeitures from Plan Sponsor discretionary matching and non-elective contributions may be used to pay administrative expenses of the Plan or reduce employer matching contributions. Forfeited non-vested accounts totaled \$3,569 and \$3,528 at December 31, 2020 and 2019, respectively.

Payment of Benefits

The Plan is designed to provide participants with benefits at the time of retirement. However, if employment with the Company is terminated, the balance of a participant's vested Plan accounts becomes distributable to them. Upon proper notification of the Plan Administrator, the account balance will be distributed to the participant in the form of a lump-sum cash payment. The participant may also request a rollover distribution, as soon as practicable after separation from service. Upon termination of employment, participants forfeit nonvested Company non-elective and matching contributions. Individual balances of \$1,000 or less can be involuntarily cashed out to the employee as a lump sum distribution.

The normal retirement age for the Plan is 59.5. Participants may continue employment and participation in the plan past the normal retirement age.

If a participant dies while a member of the Plan or before their account balance has been distributed to them, their beneficiary will be entitled to receive all undistributed benefits.

Prior to terminating service or attaining normal retirement age, a participant under certain hardship conditions and with the approval of the Plan Administrator, may elect to receive a distribution of the lesser of their cumulative undistributed employee contributions or their employee contribution balance.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting policies, which conform to U.S. generally accepted accounting principles (“GAAP”) have been used consistently in the preparation of the Plan’s financial statements.

Basis of Accounting

The accompanying financial statements of the Plan are prepared using the accrual basis of accounting in accordance with GAAP.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair is 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. If available, quoted market prices are used to determine the fair value of investments. See the note titled “Fair Value Measurements” for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Participant Notes Receivable

Participant notes receivable are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are charged directly to the borrowing participant’s account and are included in administrative expenses when incurred. As of December 31, 2020, and 2019, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the Plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent loan is recorded as a benefit payment based on the terms of the Plan agreement.

Benefit Payments

Benefits are recorded when paid.

Administrative Expenses

Participant loan origination and annual loan maintenance fees are paid by the participant acquiring the loan. Other plan expenses are paid first from available forfeiture balances. Any remaining expenses are paid by the Company and are excluded from these financial statements.

Income Taxes

The income tax returns of the Plan for 2020, 2019, 2018, and 2017 are subject to examination by the taxing authorities, generally for three years after they are filed.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

Change in Accounting Policy

In July 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-09, *Codification Improvements*, which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate whether a readily determinable fair value exists or whether its investments qualify for net asset value per share practical expedient in accordance with Accounting Standards Codification (“ASC”) 820, *Fair Value Measurement*. Adoption of the amended guidance, which is to be applied retrospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. This amendment was adopted on January 1, 2020. The adoption of this standard did not significantly impact the Plan’s financial statements. No changes to the fair value table for the Plan were necessary to comply with the new ASU.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*. This ASU amends ASC 820, *Fair Value Measurement*, to add, remove and modify certain disclosure requirements for fair value measurements. This amendment was adopted on January 1, 2020. The adoption of this standard did not significantly impact the Plan’s financial statements.

3. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE:

For the years ended December 31, 2020 and 2019, all assets are held and invested by the trustee, Fidelity. Fidelity also receives and holds all income from the investments. In accordance with DOL Section 2520.103-8, verification of the transactions and investment values is not required and is not within the scope of the audit. The following information included in the financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustee as of December 31, 2020 and 2019 and for the year ended December 31, 2020:

	2020	2019
Investments, at fair value	\$ 2,975,321	\$ 3,115,698
Participant loans at estimated realized value	\$ 45,048	\$ 58,621
Dividends and interest	\$ 206,024	
Net appreciation of investments	\$ 110,510	
Interest income on notes receivable from participants	\$ 1,542	

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

4. FAIR VALUE MEASUREMENT:

The Plan's investments are reported at fair value in the accompanying Statements of Net Assets Available for Benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of their fair values. Furthermore, although 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.

Fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are observable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs, because they generally provide the most reliable evidence of fair value.

The following is a description of the valuation methodologies used for assets measured at fair value:

Registered Investment Companies – Shares of registered investment companies ("mutual funds") are valued at quoted market prices on the last business day of the plan year, which represent the fair market value of shares held by the Plan.

The following table sets forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2020 and 2019:

The following table presents fair value measurement information for certain financial instruments.

	2020		2019	
	Level 1	Total	Level 1	Total
Money market	\$ 46,320	\$ 46,320	\$ 41,462	\$ 41,462
Registered investment companies (mutual funds)	<u>2,929,001</u>	<u>2,929,001</u>	<u>3,074,236</u>	<u>3,074,236</u>
Total investments at fair value	<u>\$ 2,975,321</u>	<u>\$ 2,975,321</u>	<u>\$ 3,115,698</u>	<u>\$ 3,115,698</u>

5. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their employer contributions.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

6. TAX STATUS:

The Plan is an adoption of a prototype plan sponsored by Fidelity. The Plan received a favorable determination letter from the IRS dated March 31, 2014 on the prototype plan's acceptability under Section 401 of the IRC. The Plan is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

GAAP requires the Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan 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, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statement. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

7. PARTIES-IN-INTEREST:

Certain administrative functions are performed by officers or employees of the Company. These employees are also Plan participants. No such officer or employee receives compensation from the Plan.

Plan investments were managed by Fidelity and the Plan uses Fidelity to administer the Plan. Fidelity is the trustee as defined by the Plan, and therefore, these transactions qualify as party-in-interest. Administrative fees paid by the Plan to Fidelity totaled \$333 for the year ended December 31, 2020.

8. RISKS AND UNCERTAINTIES:

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

In March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic. The impact of the COVID-19 global pandemic continues to evolve, and its future effects on the Plan's statements of net assets available for plan benefits and statements of changes in net assets available for plan benefits remain uncertain.

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

9. SELF CORRECTION PROGRAM:

The Plan Sponsor is entering the IRS Self Correction Program to correct insignificant plan operational failures. The Plan Sponsor intends to complete the corrective actions as soon as administratively possible.

10. SUBSEQUENT EVENTS:

The Company has evaluated all subsequent events through September 01, 2021, the date the financial statements were available to be issued.

On July 1, 2021, the plan sponsor merged with another corporation. The Plan will continue to be the active plan for all employees of the new merged company. New participants are allowed to transfer their existing 401k balances from the merged corporation plan to the Plan.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

EIN 45-2972118, Plan No. 002

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

PLAN YEAR ENDED DECEMBER 31, 2020

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current Value
	<u>Money Market</u>		
*	Fidelity Investments	Government Money Market	46,320
	<u>Registered Investment Companies</u>		
	ABF	Small Cap Value R5	1,724
*	Fidelity Investments	500 Index	91,056
*	Fidelity Investments	Contrafund	127,928
*	Fidelity Investments	Low Priced Stock	4,817
*	Fidelity Investments	Puritan	383
*	Fidelity Investments	Strategic Income	575
	Harbor	International Inst	4,520
	MFS	International Value R4	13,737
	MFS	Value R4	334
	PIMCO	Total Return Inst	1,490
	Thornburg	International Value R5	1,279
	Touchstone	MIDCPGR IS	54,069
	Vanguard	Small Cap Growth Index ADM	83,326
	Vanguard	Total Bond Market ADM	6,384
	Vanguard	Total Stock Market ADM	31,563
	Vanguard	Total International Stock AD	2,537
	Wells Fargo	Target 2015 R6	112,302
	Wells Fargo	Target 2020 R6	103,446
	Wells Fargo	Target 2025 R6	610,147
	Wells Fargo	Target 2030 R6	201,929
	Wells Fargo	Target 2035 R6	772,878
	Wells Fargo	Target 2040 R6	118,626
	Wells Fargo	Target 2045 R6	223,931
	Wells Fargo	Target 2050 R6	274,888
	Wells Fargo	Target 2055 R6	85,132
			2,929,001
	<u>Loan Fund</u>		
*	Participant loans	Participant Loans, bearing interest between 4.25% and 7.50% with various maturity dates	45,048
			<u>\$ 3,020,369</u>

* Party in Interest

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULES**

YEAR ENDED DECEMBER 31, 2020

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

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PRELIMINARY FOR DISCUSSION PURPOSES ONLY

INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
Schaffner 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Schaffner 401(k) Plan, which comprise the Statements of Net Assets Available for Benefits as of December 31, 2020 and 2019, the related Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2020, 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 for 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 financial statements based on conducting the audits 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 paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 information summarized in the note titled "Information Prepared and Certified by Trustee", which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2020 and 2019 and for the year ended December 31, 2020, that the information provided to the plan administrator by the trustee is complete and accurate.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matters

The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2020, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the other matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, 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.

Joti, Flynn, Lawen & Company, P. C.

Roanoke, Virginia
September 01, 2021

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Investments, at fair value:		
Money market	\$ 46,320	\$ 41,462
Shares of registered investment companies	<u>2,929,001</u>	<u>3,074,236</u>
 Total investments, at fair value	<u>2,975,321</u>	<u>3,115,698</u>
 Receivables -		
Participant notes receivable	<u>45,048</u>	<u>58,621</u>
 Total receivables	<u>45,048</u>	<u>58,621</u>
 NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 3,020,369</u>	<u>\$ 3,174,319</u>

See accompanying notes to financial statements.

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2020

ADDITIONS TO NET ASSETS:

Investment income:

Dividends and interest \$ 206,024

Net appreciation of investments 110,510

Total investment income 316,534

Interest income on notes receivable from participants 1,542

Contributions:

Employer 84,517

Employee 161,357

Total contributions 245,874

Total additions 563,950

DEDUCTIONS FROM NET ASSETS:

Benefits paid to participants 717,567

Administrative expenses 333

Total deductions 717,900

Net decrease (153,950)

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year 3,174,319

End of year \$ 3,020,369

See accompanying notes to financial statements.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF PLAN:

The following description of the Schaffner 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of Schaffner (the “Company”) who are age twenty-one or older. Employees covered by a collective bargaining agreement, leased employees, and nonresident aliens are excluded from the Plan. Part time employees are eligible to participate if they are at least twenty-one and have at least 1,000 hours of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Administration

The Company is the Plan administrator. All assets of the Plan are held by the trustee, Fidelity Management Trust Company (“Fidelity”).

CARES Act

In March 2020, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was signed into law. As required, the Plan suspended required minimum distributions for the year ended December 31, 2020. The Plan did not elect to implement certain provisions of the CARES Act for the year ended December 31, 2020 that are available to tax qualified retirement plans and their participants. These provisions include, among other things, permitting special COVID-19 related distributions of up to \$100,000, increasing the maximum amount of Plan loans to participants to \$100,000 or 100% of their vested account balance, deferring repayments on certain Plan loans.

Contributions

Employee Contributions: Plan participants can elect to contribute up to 75% of their compensation, not to exceed the allowable amount under Section 402(g) of the Internal Revenue Code (“IRC”). Participants who have obtained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may designate their contributions as pre-tax or post-tax deferrals. Contributions are based upon total compensation, which includes all compensation that is paid for or made available during the Plan year, excluding any compensation received (a) while being a member of an ineligible class of employees, (b) prior to the date of becoming a participant, and (c) various other benefits and allowances outlined in the Plan agreement. Total compensation will also include any employee pre-tax contributions made under the Plan. Contributions made by highly compensated employees may be restricted by dollar limits set annually by the Internal Revenue Service (“IRS”). Participants’ contributions are made through automatic payroll deductions every pay period. Pre-tax deferral contributions and related earnings are not taxable to the participant until they are withdrawn from the Plan.

Rollovers: Participants who were members of a former employer’s qualified plan may elect to make a rollover contribution from that plan to the Plan.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

1. DESCRIPTION OF PLAN – (Continued):

Employer Contributions: The Company shall make matching employer contributions on behalf of its eligible participants in accordance with a safe harbor match formula. The formula is 100% of the first 3% of plan compensation contributed to the Plan and 50% of the next 2% of plan compensation contributed to the Plan. In addition, the Company may make additional discretionary matching contributions. These discretionary contributions will be allocated following the end of the Plan year to all participants eligible to share therein. There were no discretionary employer contributions for the year ended December 31, 2020.

Plan Compensation

Eligible compensation is defined as gross wages, excluding reimbursements or other expense allowances, fringe benefits (cash or non-cash), moving expenses, deferred compensation (other than deferrals to the Plan), welfare benefits, unused leave, and differential wages. For the employee's first year of participation, eligible compensation is recognized as of the first date the participant entered the Plan. Compensation is subject to a limitation of \$285,000 for 2020, as prescribed by the IRS regulations.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution, (b) Plan earnings or losses, and (c) charged with an allocation of any administrative expenses paid by the Plan. Allocations are made based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions, rollover contributions, and employer safe harbor matching contributions. Vesting in the Company's non-elective and discretionary matching employer contribution portions of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after five years of service. A participant who becomes permanently disabled or dies while in the employment of the Company will have a 100% vested interest in his or her account. A participant's vesting schedule is as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 1 year	0%
1 years	20%
2 years	40%
3 years	60%
4 years	80%
5 years	100%

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

1. DESCRIPTION OF PLAN – (Continued):

Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their vested account balance, whichever is less. The remaining balance in the borrowing participant's retirement account secures the loan. Five years is the maximum loan term allowable under the plan unless the loan is for the purchase of the participant's primary residence. The interest rate on the loan shall be a reasonable rate of interest as determined by the Plan administrator. Principal and interest are paid ratably through payroll deductions. If a participant defaults on the loan, the Trustee may foreclose on the note and offset the participant's vested interest in the balance of the participant's account.

Investment Options

Under the Plan, the participant may direct the investment of both the Company and his or her contributions. Participants may change their investment options daily.

Forfeitures

Forfeitures from Plan Sponsor discretionary matching and non-elective contributions may be used to pay administrative expenses of the Plan or reduce employer matching contributions. Forfeited non-vested accounts totaled \$3,569 and \$3,528 at December 31, 2020 and 2019, respectively.

Payment of Benefits

The Plan is designed to provide participants with benefits at the time of retirement. However, if employment with the Company is terminated, the balance of a participant's vested Plan accounts becomes distributable to them. Upon proper notification of the Plan Administrator, the account balance will be distributed to the participant in the form of a lump-sum cash payment. The participant may also request a rollover distribution, as soon as practicable after separation from service. Upon termination of employment, participants forfeit nonvested Company non-elective and matching contributions. Individual balances of \$1,000 or less can be involuntarily cashed out to the employee as a lump sum distribution.

The normal retirement age for the Plan is 59.5. Participants may continue employment and participation in the plan past the normal retirement age.

If a participant dies while a member of the Plan or before their account balance has been distributed to them, their beneficiary will be entitled to receive all undistributed benefits.

Prior to terminating service or attaining normal retirement age, a participant under certain hardship conditions and with the approval of the Plan Administrator, may elect to receive a distribution of the lesser of their cumulative undistributed employee contributions or their employee contribution balance.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The following accounting policies, which conform to U.S. generally accepted accounting principles (“GAAP”) have been used consistently in the preparation of the Plan’s financial statements.

Basis of Accounting

The accompanying financial statements of the Plan are prepared using the accrual basis of accounting in accordance with GAAP.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair is 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. If available, quoted market prices are used to determine the fair value of investments. See the note titled “Fair Value Measurements” for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Participant Notes Receivable

Participant notes receivable are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are charged directly to the borrowing participant’s account and are included in administrative expenses when incurred. As of December 31, 2020, and 2019, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the Plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent loan is recorded as a benefit payment based on the terms of the Plan agreement.

Benefit Payments

Benefits are recorded when paid.

Administrative Expenses

Participant loan origination and annual loan maintenance fees are paid by the participant acquiring the loan. Other plan expenses are paid first from available forfeiture balances. Any remaining expenses are paid by the Company and are excluded from these financial statements.

Income Taxes

The income tax returns of the Plan for 2020, 2019, 2018, and 2017 are subject to examination by the taxing authorities, generally for three years after they are filed.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued):

Change in Accounting Policy

In July 2018, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2018-09, *Codification Improvements*, which, among other things, amends an illustrative example of a fair value hierarchy disclosure to indicate that a certain type of investment should not always be considered to be eligible to use the net asset value per share practical expedient. Also, it further clarifies that an entity should evaluate whether a readily determinable fair value exists or whether its investments qualify for net asset value per share practical expedient in accordance with Accounting Standards Codification (“ASC”) 820, *Fair Value Measurement*. Adoption of the amended guidance, which is to be applied retrospectively, affects the fair value disclosures, but does not change the fair value measurement of the investments. This amendment was adopted on January 1, 2020. The adoption of this standard did not significantly impact the Plan’s financial statements. No changes to the fair value table for the Plan were necessary to comply with the new ASU.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*. This ASU amends ASC 820, *Fair Value Measurement*, to add, remove and modify certain disclosure requirements for fair value measurements. This amendment was adopted on January 1, 2020. The adoption of this standard did not significantly impact the Plan’s financial statements.

3. INFORMATION PREPARED AND CERTIFIED BY TRUSTEE:

For the years ended December 31, 2020 and 2019, all assets are held and invested by the trustee, Fidelity. Fidelity also receives and holds all income from the investments. In accordance with DOL Section 2520.103-8, verification of the transactions and investment values is not required and is not within the scope of the audit. The following information included in the financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustee as of December 31, 2020 and 2019 and for the year ended December 31, 2020:

	2020	2019
Investments, at fair value	\$ 2,975,321	\$ 3,115,698
Participant loans at estimated realized value	\$ 45,048	\$ 58,621
Dividends and interest	\$ 206,024	
Net appreciation of investments	\$ 110,510	
Interest income on notes receivable from participants	\$ 1,542	

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

4. FAIR VALUE MEASUREMENT:

The Plan's investments are reported at fair value in the accompanying Statements of Net Assets Available for Benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of their fair values. Furthermore, although 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.

Fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs are observable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs, because they generally provide the most reliable evidence of fair value.

The following is a description of the valuation methodologies used for assets measured at fair value:

Registered Investment Companies – Shares of registered investment companies ("mutual funds") are valued at quoted market prices on the last business day of the plan year, which represent the fair market value of shares held by the Plan.

The following table sets forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2020 and 2019:

The following table presents fair value measurement information for certain financial instruments.

	2020		2019	
	Level 1	Total	Level 1	Total
Money market	\$ 46,320	\$ 46,320	\$ 41,462	\$ 41,462
Registered investment companies (mutual funds)	<u>2,929,001</u>	<u>2,929,001</u>	<u>3,074,236</u>	<u>3,074,236</u>
Total investments at fair value	<u>\$ 2,975,321</u>	<u>\$ 2,975,321</u>	<u>\$ 3,115,698</u>	<u>\$ 3,115,698</u>

5. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their employer contributions.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

6. TAX STATUS:

The Plan is an adoption of a prototype plan sponsored by Fidelity. The Plan received a favorable determination letter from the IRS dated March 31, 2014 on the prototype plan's acceptability under Section 401 of the IRC. The Plan is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

GAAP requires the Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan 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, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statement. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

7. PARTIES-IN-INTEREST:

Certain administrative functions are performed by officers or employees of the Company. These employees are also Plan participants. No such officer or employee receives compensation from the Plan.

Plan investments were managed by Fidelity and the Plan uses Fidelity to administer the Plan. Fidelity is the trustee as defined by the Plan, and therefore, these transactions qualify as party-in-interest. Administrative fees paid by the Plan to Fidelity totaled \$333 for the year ended December 31, 2020.

8. RISKS AND UNCERTAINTIES:

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

In March 2020, the World Health Organization declared the COVID-19 outbreak a global pandemic. The impact of the COVID-19 global pandemic continues to evolve, and its future effects on the Plan's statements of net assets available for plan benefits and statements of changes in net assets available for plan benefits remain uncertain.

**PRELIMINARY
FOR DISCUSSION
PURPOSES ONLY**

SCHAFFNER 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS – (Continued)

9. SELF CORRECTION PROGRAM:

The Plan Sponsor is entering the IRS Self Correction Program to correct insignificant plan operational failures. The Plan Sponsor intends to complete the corrective actions as soon as administratively possible.

10. SUBSEQUENT EVENTS:

The Company has evaluated all subsequent events through September 01, 2021, the date the financial statements were available to be issued.

On July 1, 2021, the plan sponsor merged with another corporation. The Plan will continue to be the active plan for all employees of the new merged company. New participants are allowed to transfer their existing 401k balances from the merged corporation plan to the Plan.

PRELIMINARY FOR DISCUSSION PURPOSES ONLY

SCHAFFNER 401(k) PLAN

EIN 45-2972118, Plan No. 002

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

PLAN YEAR ENDED DECEMBER 31, 2020

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(e) Current Value
	<u>Money Market</u>		
*	Fidelity Investments	Government Money Market	46,320
	<u>Registered Investment Companies</u>		
	ABF	Small Cap Value R5	1,724
*	Fidelity Investments	500 Index	91,056
*	Fidelity Investments	Contrafund	127,928
*	Fidelity Investments	Low Priced Stock	4,817
*	Fidelity Investments	Puritan	383
*	Fidelity Investments	Strategic Income	575
	Harbor	International Inst	4,520
	MFS	International Value R4	13,737
	MFS	Value R4	334
	PIMCO	Total Return Inst	1,490
	Thornburg	International Value R5	1,279
	Touchstone	MIDCPGR IS	54,069
	Vanguard	Small Cap Growth Index ADM	83,326
	Vanguard	Total Bond Market ADM	6,384
	Vanguard	Total Stock Market ADM	31,563
	Vanguard	Total International Stock AD	2,537
	Wells Fargo	Target 2015 R6	112,302
	Wells Fargo	Target 2020 R6	103,446
	Wells Fargo	Target 2025 R6	610,147
	Wells Fargo	Target 2030 R6	201,929
	Wells Fargo	Target 2035 R6	772,878
	Wells Fargo	Target 2040 R6	118,626
	Wells Fargo	Target 2045 R6	223,931
	Wells Fargo	Target 2050 R6	274,888
	Wells Fargo	Target 2055 R6	85,132
			2,929,001
	<u>Loan Fund</u>		
*	Participant loans	Participant Loans, bearing interest between 4.25% and 7.50% with various maturity dates	45,048
			<u>\$ 3,020,369</u>

* Party in Interest