

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
---	---	--

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:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan	<u>THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u> <div style="float: right; width: 15%;"> 1b Three-digit plan number (PN) ▶ <u>002</u> </div>
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>THE EQUITY ENGINEERING GROUP, INC.</u> <u>20600 CHAGRIN BLVD, SUITE 1200</u> <u>SHAKER HEIGHTS, OH 44122</u>	<div style="float: right; width: 15%;"> 1c Effective date of plan <u>10/01/2012</u> 2b Employer Identification Number (EIN) <u>32-0430595</u> 2c Plan Sponsor's telephone number <u>216-283-6021</u> 2d Business code (see instructions) <u>541330</u> </div>

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.	10/14/2021	MICHAEL SHERBAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.		
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Filed with authorized/valid electronic signature.		
	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 <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 163
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 128 6a(2) 119 6b 5 6c 26 6d 150 6e 0 6f 150 6g 150 6h 3
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: 2P 2Q 3I 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) ☐ 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 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.	<small>OMB No. 1210-0110</small> 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>THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THE EQUITY ENGINEERING GROUP, INC.</u>	D Employer Identification Number (EIN) <u>32-0430595</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	828756	778399
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	714977	81092
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	24189519	28299994
(2)	Employer real property.....		
e	Buildings and other property used in plan operation		
f	Total assets (add all amounts in lines 1a through 1e)	25733252	29159485
Liabilities			
g	Benefit claims payable		
h	Operating payables		
i	Acquisition indebtedness.....	5528748	7553545
j	Other liabilities.....		
k	Total liabilities (add all amounts in lines 1g through 1j)	5528748	7553545
Net Assets			
l	Net assets (subtract line 1k from line 1f)	20204504	21605940

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	535313	
	(B) Participants		
	(C) Others (including rollovers).....		
(2)	Noncash contributions		
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)		535313
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....		
	(B) U.S. Government securities		
	(C) Corporate debt instruments		
	(D) Loans (other than to participants)		
	(E) Participant loans.....		
	(F) Other		
	(G) Total interest. Add lines 2b(1)(A) through (F)		0
(2)	Dividends: (A) Preferred stock.....		
	(B) Common stock		
	(C) Registered investment company shares (e.g. mutual funds).....		
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)		0
(3)	Rents		
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds		
	(B) Aggregate carrying amount (see instructions).....		
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result		0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	1823979	
	(B) Other		
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)		1823979

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2359292

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	765356	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		765356
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		192500
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		957856

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1401436
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

b 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: BSE PARTNERS LLC

(2) EIN: 06-0462571

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		1500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
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?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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 THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 THE EQUITY ENGINEERING GROUP, INC.		D Employer Identification Number (EIN) 32-0430595
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 46-1296392		
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 _____

**THE EQUITY ENGINEERING GROUP, INC.
EMPLOYEE STOCK
OWNERSHIP PLAN AND TRUST**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2020 and 2019

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5 – 13
SUPPLEMENTARY INFORMATION	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	14

INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Equity Engineering Group, Inc.
Employee Stock Ownership Plan and Trust
Shaker Heights, Ohio

We have audited the accompanying financial statements of The Equity Engineering Group Inc. **Employee Stock Ownership Plan and Trust** (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2020 and 2019, and the related statements 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 of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Equity Engineering Group, Inc. **Employee Stock Ownership Plan and Trust** as of December 31, 2020 and 2019, and the changes in its net assets available for benefits for the year ended December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the financial statements, but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

B/E Partners, LLC

Columbus, Ohio
October 13, 2021

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2020 and 2019

	Allocated	2020 Unallocated	Total	Allocated	2019 Unallocated	Total
Assets:						
Cash Equivalents	\$ 778,400	\$ -	\$ 778,400	\$ 828,756	\$ -	\$ 828,756
Contribution Receivable	81,092	-	81,092	714,977	-	714,977
EEG Common Stock	14,397,710	13,902,284	28,299,994	12,757,030	11,432,490	24,189,520
Total Assets	15,257,202	13,902,284	29,159,486	14,300,763	11,432,490	25,733,253
Liabilities:						
Outstanding Loan Balance	-	7,553,545	7,553,545	-	5,528,749	5,528,749
Accrued Distributions	-	-	-	-	-	-
Total Liabilities	-	7,553,545	7,553,545	-	5,528,749	5,528,749
Net Assets Available for Benefits	\$15,257,202	\$6,348,739	\$ 21,605,941	\$ 14,300,763	\$ 5,903,741	\$ 20,204,504

See notes to financial statements.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2020

	Allocated	2020 Unallocated	Total
Income:			
Employer Contribution	\$ 467,687	\$ 67,626	\$ 535,313
Share Release (at Fair market value)	1,075,793	-	1,075,793
Unrealized Appreciation	564,887	1,259,093	1,823,980
Total Income	2,108,367	1,326,719	3,435,086
Expenses:			
Interest Expense	-	192,500	192,500
Payments to Participants	765,356	-	765,356
Share Release (at fair market value)	-	1,075,793	1,075,793
Debt Payments	386,572	(386,572)	-
Total Expenses	1,151,928	881,721	2,033,649
Change in Net Assets Available for Benefits	956,439	444,998	1,401,437
Net Assets at Beginning of Plan Year	14,300,763	5,903,741	20,204,504
Net Assets Available for Benefits at year end	\$15,257,202	\$6,348,739	\$21,605,941

See Notes to financial statements

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN

The following description of The Equity Engineering Group, Inc. **Employee Stock Ownership Plan and Trust** (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 Equity Engineering Group, Inc. (the “Company”) established the employee stock ownership plan effective as of October 1, 2012, for all employees of the Company other than leased employees, non-resident alien, a disqualified person or employees covered under a collective bargaining agreement. As of October 1, 2012, the Plan operates as an employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an Employee Benefits Administration Committee which consists of not less than one person appointed by the Sponsor Company. The Plan was restated in 2018.

The Plan purchased the Company common stock by issuing notes payable to the former owners of the Company common stock in a trust established under the Plan.

Eligibility – Employees of the Company are generally eligible to participate in the Plan after twelve months of service providing they worked at least 1,000 hours during the Plan year, received compensation during the Plan year, and were employed on the last day of the Plan year and were 21 years of age or older.

Employer Contributions – The Company is obligated to make contributions in cash to the Plan, equal the amount necessary to enable the Plan to make its regularly scheduled loan payments.

Participant Accounts – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant’s account is credited as of the last day of each Plan year with an allocation of shares of the Company’s common stock released by the Trustee from the unallocated account and the forfeitures of terminated participants’ non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will received an allocation. Allocations are based on a participant’s eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant’s account based on the ratio of the participant’s beginning of the year account balance to all participants’ beginning of the year account balances.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Vesting – For participants terminating employment for reasons other than death or disability or upon the Normal Retirement age, the Plan has the following graded vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentages</u>
Fewer than 2	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Payment of Benefits – Distributions on account of death, disability, or retirement are made in a lump sum or installments beginning in the Plan year following the event that occurred. Distributions for other separations from service are required to be made after the sixth Plan year following the separation from service and are made in lump sum or annual installments. The amount to be distributed is based upon the account valuation date immediately preceding the distribution. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan.

Put Option -- Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading imitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current value of the stock.

Diversification – Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants, who are at least age 55 with at least 10 years of participation in the Plan, may elect to diversify a portion of their account. There is a \$500 minimum diversification amount.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Forfeitures – Plan forfeitures are allocated to each participant’s account based upon the relation of the participant’s compensation to total compensation for the Plan year. Forfeitures of terminated non-vested account balances were allocated to remaining stock participants at December 31, 2020 and 2019.

Voting Rights -- Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated shares for which instructions have not been given by a participant. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Plan are prepared using the accrual method of accounting.

Financial Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan’s Administrator to make estimates and assumptions that affect the reported amounts of net assets, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – The shares of Company common stock are valued at fair value. See Note 7 for discussion of fair value measurements.

Dividend income is accrued on the ex-dividend date. There was no dividend income in 2020 or 2019.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan’s gains and losses on investments bought and sold, as well as held during the year.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

Subsequent Events – In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 13, 2021, the date the financial statements were available to be issued. Subsequent to year end the Company had a 100 to 1 stock split.

NOTE 3 – TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service, stating that the Plan is qualified, under the Internal Revenue Code (IRC) and, Therefore, the related trust is exempt from taxation. The Plan has been restated since receiving this determination letter; however the Plan administrator believes the Plan is designed and operated in compliance with applicable requirements of the IRC.

U.S. generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. No uncertain tax positions exist as of December 31, 2020.

NOTE 4 – ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Company common shares, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, who utilized cash received, and makes distributions to participants, and makes loan balance payments.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – INVESTMENTS

The Plan's investment in the Equity Engineering Group, Inc.'s stock at December 31, 2020 and 2019, is as follows:

	<u>2020</u>	<u>2019</u>
Allocated shares	48,828.45	47,073.69
Unallocated shares	51,171.55	42,186.31
Cost – Allocated	<u>\$ 5,444,012</u>	<u>\$ 5,249,943</u>
Cost – Unallocated	<u>\$ 6,795,024</u>	<u>\$ 4,703,547</u>
Fair Value – Allocated	<u>\$ 14,397,710</u>	<u>\$12,757,030</u>
Fair Value – Unallocated	<u>\$13,902,284</u>	<u>\$11,432,490</u>

NOTE 6 – RELATED PARTY TRANSACTIONS

The Plan invests in Company common stock. This is a related party and party-in-interest transaction. As described in Notes 1 and 4, the Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

NOTE 7 – FAIR VALUE MEASUREMENTS

Accounting standards provide a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the accounting standards are described as follows

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

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

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

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

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

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

Following is a description of the valuation methodologies used for assets measure at fair value. There have been no changes in the methodologies used at December 31, 2020.

Common stock: The fair value of the Sponsor Company common stock held by the Plan is valued at fair valued based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior yeas. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and fair value of Company assets and liabilities. Plan management has concluded that market participants would also recognize a discount for lack of marketability.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

The valuation process involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the ESOP trustee, reviews in detail, discusses and approves. The results of this process are documented in minutes of the plan fiduciary.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future 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 fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
EEG, Inc. common stock-2020:	\$ <u>-</u>	\$ <u>-</u>	<u>\$28,299,994</u>	<u>\$28,299,994</u>
EEG, Inc. common stock-2019:	\$ <u>-</u>	\$ <u>-</u>	<u>\$24,189,520</u>	<u>\$24,189,520</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's Level 3 assets for the years ended December 31, 2020:

	Investment in EEG, Inc. Common Stock
Value at beginning of year	\$24,189,520
Purchase of shared	2,286,494
Unrealized gains	<u>1,823,980</u>
Value at the end of the year	<u>\$28,299,994</u>

Gains and losses included in the Statements of Changes in Net Assets Available for Benefits For the year December 31, 2020, are reported in net appreciation of fair value investments.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – LOAN PAYABLE

In 2012, the Plan entered into a \$11,150,000 term loan agreement with the Owners of the Company to acquire all the outstanding common shares of the Company. In conjunction with the acquisition of the shares, the plan issued nine individual notes of \$1,238,889 with an interest rate of 4%.

Shares are released from collateral and allocated to participants as payments of interest and principal are made. This resulted in approximately 381 shares being released and allocated for the plan year ended December 31, 2020.

The agreements provide for the loans to be repaid in 142 monthly installments. The fair value of the notes payable as of December 31, 2019, was approximately \$5,529,000.

During 2020 the Plan purchased approximately 10,740,000 shares from the Company for approximately \$2,286,494. In conjunction with this transaction the Plan restructured its outstanding debt with the company to have the ability to recycle its shares.

At December 31, 2020 the Plan has a \$6,097,150 note payable at 6%. Terms of the note are the note pays interest only through December 31, 2024. Subsequent to December 31, 2024 the note will be paid in 216 monthly of installments of approximately \$33,461.

The Plan also has a \$1,456,395 note payable at 4% at December 31, 2020. Terms of the note are for monthly payments of \$37,850 for 41 months

The scheduled amortization of the loans for the next five years is as follows:

2021	\$527,171
2022	\$419,495
2023	\$436,586
2024	\$197,965
2025	\$276,704

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will fully vest and be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Employee Benefits Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund.

NOTE 10 – RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows, and/or other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of common stock will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Cash is held at one bank, balances may exceed federally insured limits from time to time.

NOTE 11 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

For the years 2020 and 2019, there were no differences between the financial statements and the Form 5500.

THE EQUITY ENGINEERING GROUP, INC., EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

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

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 34-1970354

PLAN NUMBER: 002

December 31, 2020

(b) Identity of issue Borrower, Lessor, (a) or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
*The Equity Engineering Group, Inc.	100,000 shares of no-par value common stock	\$12,239,036	\$28,299,994

- Represents a party-in-interest to the Plan

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2020 This Form is Open to Public Inspection
---	--	---

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:	☐ a multiemployer plan	☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan	☐ a DFE (specify) _____	
B This return/report is:	☐ the first return/report	☐ the final return/report	
	☐ an amended return/report	☐ a short plan year return/report (less than 12 months)	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558	☐ automatic extension	☐ the DFVC program
	☐ special extension (enter description)		

Part II Basic Plan Information—enter all requested information			
1a Name of plan The Equity Engineering Group, Inc. Employee Stock Ownership Plan and Trust		1b Three-digit plan number (PN) ▶	002
		1c Effective date of plan	10/01/2012
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) The Equity Engineering Group, Inc. 20600 Chagrin Blvd, Suite 1200 Shaker Heights OH 44122		2b Employer Identification Number (EIN)	32-0430595
		2c Plan Sponsor's telephone number	(216) 283-6021
		2d Business code (see instructions)	541330

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		<u>10/11/21</u>	Michael Sherban
	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 <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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		5 163
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) 128
a(2) Total number of active participants at the end of the plan year		6a(2) 119
b Retired or separated participants receiving benefits		6b 5
c Other retired or separated participants entitled to future benefits		6c 26
d Subtotal. Add lines 6a(2), 6b, and 6c		6d 150
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 150
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g 150
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 3
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: 2P 2Q 3I		
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) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

**THE EQUITY ENGINEERING GROUP, INC.
EMPLOYEE STOCK
OWNERSHIP PLAN AND TRUST**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

Years Ended December 31, 2020 and 2019

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1 - 2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5 – 13
SUPPLEMENTARY INFORMATION	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	14

INDEPENDENT AUDITORS' REPORT

Plan Administrator
The Equity Engineering Group, Inc.
Employee Stock Ownership Plan and Trust
Shaker Heights, Ohio

We have audited the accompanying financial statements of The Equity Engineering Group Inc. **Employee Stock Ownership Plan and Trust** (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2020 and 2019, and the related statements 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 of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Equity Engineering Group, Inc. **Employee Stock Ownership Plan and Trust** as of December 31, 2020 and 2019, and the changes in its net assets available for benefits for the year ended December 31, 2020 in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a required part of the financial statements, but is supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

B/E Partners, LLC

Columbus, Ohio
October 13, 2021

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2020 and 2019

	Allocated	2020 Unallocated	Total	Allocated	2019 Unallocated	Total
Assets:						
Cash Equivalents	\$ 778,400	\$ -	\$ 778,400	\$ 828,756	\$ -	\$ 828,756
Contribution Receivable	81,092	-	81,092	714,977	-	714,977
EEG Common Stock	14,397,710	13,902,284	28,299,994	12,757,030	11,432,490	24,189,520
Total Assets	15,257,202	13,902,284	29,159,486	14,300,763	11,432,490	25,733,253
Liabilities:						
Outstanding Loan Balance	-	7,553,545	7,553,545	-	5,528,749	5,528,749
Accrued Distributions	-	-	-	-	-	-
Total Liabilities	-	7,553,545	7,553,545	-	5,528,749	5,528,749
Net Assets Available for Benefits	\$15,257,202	\$6,348,739	\$ 21,605,941	\$ 14,300,763	\$ 5,903,741	\$ 20,204,504

See notes to financial statements.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year ended December 31, 2020

	Allocated	2020 Unallocated	Total
Income:			
Employer Contribution	\$ 467,687	\$ 67,626	\$ 535,313
Share Release (at Fair market value)	1,075,793	-	1,075,793
Unrealized Appreciation	564,887	1,259,093	1,823,980
Total Income	2,108,367	1,326,719	3,435,086
Expenses:			
Interest Expense	-	192,500	192,500
Payments to Participants	765,356	-	765,356
Share Release (at fair market value)	-	1,075,793	1,075,793
Debt Payments	386,572	(386,572)	-
Total Expenses	1,151,928	881,721	2,033,649
Change in Net Assets Available for Benefits	956,439	444,998	1,401,437
Net Assets at Beginning of Plan Year	14,300,763	5,903,741	20,204,504
Net Assets Available for Benefits at year end	\$15,257,202	\$6,348,739	\$21,605,941

See Notes to financial statements

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN

The following description of The Equity Engineering Group, Inc. **Employee Stock Ownership Plan and Trust** (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 Equity Engineering Group, Inc. (the “Company”) established the employee stock ownership plan effective as of October 1, 2012, for all employees of the Company other than leased employees, non-resident alien, a disqualified person or employees covered under a collective bargaining agreement. As of October 1, 2012, the Plan operates as an employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an Employee Benefits Administration Committee which consists of not less than one person appointed by the Sponsor Company. The Plan was restated in 2018.

The Plan purchased the Company common stock by issuing notes payable to the former owners of the Company common stock in a trust established under the Plan.

Eligibility – Employees of the Company are generally eligible to participate in the Plan after twelve months of service providing they worked at least 1,000 hours during the Plan year, received compensation during the Plan year, and were employed on the last day of the Plan year and were 21 years of age or older.

Employer Contributions – The Company is obligated to make contributions in cash to the Plan, equal the amount necessary to enable the Plan to make its regularly scheduled loan payments.

Participant Accounts – The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant’s account is credited as of the last day of each Plan year with an allocation of shares of the Company’s common stock released by the Trustee from the unallocated account and the forfeitures of terminated participants’ non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will received an allocation. Allocations are based on a participant’s eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant’s account based on the ratio of the participant’s beginning of the year account balance to all participants’ beginning of the year account balances.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Vesting – For participants terminating employment for reasons other than death or disability or upon the Normal Retirement age, the Plan has the following graded vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentages</u>
Fewer than 2	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Payment of Benefits – Distributions on account of death, disability, or retirement are made in a lump sum or installments beginning in the Plan year following the event that occurred. Distributions for other separations from service are required to be made after the sixth Plan year following the separation from service and are made in lump sum or annual installments. The amount to be distributed is based upon the account valuation date immediately preceding the distribution. Distributions are made in cash.

Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan.

Put Option -- Under federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading imitations, includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current value of the stock.

Diversification – Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants, who are at least age 55 with at least 10 years of participation in the Plan, may elect to diversify a portion of their account. There is a \$500 minimum diversification amount.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – DESCRIPTION OF PLAN – CONTINUED

Forfeitures – Plan forfeitures are allocated to each participant’s account based upon the relation of the participant’s compensation to total compensation for the Plan year. Forfeitures of terminated non-vested account balances were allocated to remaining stock participants at December 31, 2020 and 2019.

Voting Rights -- Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated shares for which instructions have not been given by a participant. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements of the Plan are prepared using the accrual method of accounting.

Financial Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan’s Administrator to make estimates and assumptions that affect the reported amounts of net assets, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – The shares of Company common stock are valued at fair value. See Note 7 for discussion of fair value measurements.

Dividend income is accrued on the ex-dividend date. There was no dividend income in 2020 or 2019.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation includes the Plan’s gains and losses on investments bought and sold, as well as held during the year.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Payment of Benefits – Benefits are recorded when paid.

Administrative Expenses – As provided in the Plan agreement, administrative expenses may be paid either by the Plan or by the Company. The Company has historically paid the operating expenses for the Plan.

Subsequent Events – In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through October 13, 2021, the date the financial statements were available to be issued. Subsequent to year end the Company had a 100 to 1 stock split.

NOTE 3 – TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service, stating that the Plan is qualified, under the Internal Revenue Code (IRC) and, Therefore, the related trust is exempt from taxation. The Plan has been restated since receiving this determination letter; however the Plan administrator believes the Plan is designed and operated in compliance with applicable requirements of the IRC.

U.S. generally accepted accounting principles require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. No uncertain tax positions exist as of December 31, 2020.

NOTE 4 – ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Company common shares, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, who utilized cash received, and makes distributions to participants, and makes loan balance payments.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – INVESTMENTS

The Plan's investment in the Equity Engineering Group, Inc.'s stock at December 31, 2020 and 2019, is as follows:

	<u>2020</u>	<u>2019</u>
Allocated shares	48,828.45	47,073.69
Unallocated shares	51,171.55	42,186.31
Cost – Allocated	<u>\$ 5,444,012</u>	<u>\$ 5,249,943</u>
Cost – Unallocated	<u>\$ 6,795,024</u>	<u>\$ 4,703,547</u>
Fair Value – Allocated	<u>\$ 14,397,710</u>	<u>\$12,757,030</u>
Fair Value – Unallocated	<u>\$13,902,284</u>	<u>\$11,432,490</u>

NOTE 6 – RELATED PARTY TRANSACTIONS

The Plan invests in Company common stock. This is a related party and party-in-interest transaction. As described in Notes 1 and 4, the Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

NOTE 7 – FAIR VALUE MEASUREMENTS

Accounting standards provide a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements), and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the accounting standards are described as follows

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

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

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

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

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

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

Following is a description of the valuation methodologies used for assets measure at fair value. There have been no changes in the methodologies used at December 31, 2020.

Common stock: The fair value of the Sponsor Company common stock held by the Plan is valued at fair valued based upon an independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior yeas. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and fair value of Company assets and liabilities. Plan management has concluded that market participants would also recognize a discount for lack of marketability.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 7 – FAIR VALUE MEASUREMENTS (continued)

The valuation process involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the ESOP trustee, reviews in detail, discusses and approves. The results of this process are documented in minutes of the plan fiduciary.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future 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 fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
EEG, Inc. common stock-2020:	\$ <u>-</u>	\$ <u>-</u>	<u>\$28,299,994</u>	<u>\$28,299,994</u>
EEG, Inc. common stock-2019:	\$ <u>-</u>	\$ <u>-</u>	<u>\$24,189,520</u>	<u>\$24,189,520</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's Level 3 assets for the years ended December 31, 2020:

	Investment in EEG, Inc. Common Stock
Value at beginning of year	\$24,189,520
Purchase of shared	2,286,494
Unrealized gains	<u>1,823,980</u>
Value at the end of the year	<u>\$28,299,994</u>

Gains and losses included in the Statements of Changes in Net Assets Available for Benefits For the year December 31, 2020, are reported in net appreciation of fair value investments.

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 8 – LOAN PAYABLE

In 2012, the Plan entered into a \$11,150,000 term loan agreement with the Owners of the Company to acquire all the outstanding common shares of the Company. In conjunction with the acquisition of the shares, the plan issued nine individual notes of \$1,238,889 with an interest rate of 4%.

Shares are released from collateral and allocated to participants as payments of interest and principal are made. This resulted in approximately 381 shares being released and allocated for the plan year ended December 31, 2020.

The agreements provide for the loans to be repaid in 142 monthly installments. The fair value of the notes payable as of December 31, 2019, was approximately \$5,529,000.

During 2020 the Plan purchased approximately 10,740,000 shares from the Company for approximately \$2,286,494. In conjunction with this transaction the Plan restructured its outstanding debt with the company to have the ability to recycle its shares.

At December 31, 2020 the Plan has a \$6,097,150 note payable at 6%. Terms of the note are the note pays interest only through December 31, 2024. Subsequent to December 31, 2024 the note will be paid in 216 monthly of installments of approximately \$33,461.

The Plan also has a \$1,456,395 note payable at 4% at December 31, 2020. Terms of the note are for monthly payments of \$37,850 for 41 months

The scheduled amortization of the loans for the next five years is as follows:

2021	\$527,171
2022	\$419,495
2023	\$436,586
2024	\$197,965
2025	\$276,704

THE EQUITY ENGINEERING GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will fully vest and be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Employee Benefits Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund.

NOTE 10 – RISKS AND UNCERTAINTIES

The Plan investments consist primarily of the Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows, and/or other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of common stock will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Cash is held at one bank, balances may exceed federally insured limits from time to time.

NOTE 11 – RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

For the years 2020 and 2019, there were no differences between the financial statements and the Form 5500.

THE EQUITY ENGINEERING GROUP, INC., EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

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

PLAN'S EMPLOYER IDENTIFICATION NUMBER: 34-1970354

PLAN NUMBER: 002

December 31, 2020

(b) Identity of issue Borrower, Lessor, (a) or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
*The Equity Engineering Group, Inc.	100,000 shares of no-par value common stock	\$12,239,036	\$28,299,994

- Represents a party-in-interest to the Plan