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 01/01/2020 and ending 12/31/2020

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.)
- [X] 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:
- [X] 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 CANNON CORPORATION 401(K) PLAN

1b Three-digit plan number (PN) ▶ 003

1c Effective date of plan 01/01/1984

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 CANNON CORPORATION

50 FOUNTAIN PLAZA, SUITE 200
BUFFALO, NY 14202

2b Employer Identification Number (EIN) 16-0698950

2c Plan Sponsor's telephone number 716-773-6800

2d Business code (see instructions) 541310

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.	10/15/2021	CHARLENE MIRAGLIA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2021	LYNN PUERNER
	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

3a Plan administrator's name and address [X] 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**	1832
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)**	1024
a(2) Total number of active participants at the end of the plan year	**6a(2)**	950
b Retired or separated participants receiving benefits	**6b**	21
c Other retired or separated participants entitled to future benefits	**6c**	742
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	1713
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	4
f Total. Add lines **6d** and **6e**	**6f**	1717
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	1688
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:

3D 2S 2R 3H 2E 2F 2G 2T 2J 2K

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)** [X] 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)** [X] 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)** [X] **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)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
THE CANNON CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
THE CANNON CORPORATION

D Employer Identification Number (EIN)
16-0698950

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] 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

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

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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?
64 65	RECORDKEEPER	300	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(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
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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
THE CANNON CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 003

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
THE CANNON CORPORATION

D Employer Identification Number (EIN)
16-0698950

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD RETIREMENT SAVING TRUST

b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
45-5436422-022	C	0

a Name of MTIA, CCT, PSA, or 103-12 IE: CORE PLUS BOND I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
38-4116854-515	C	3271767

a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CP VALUE I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
38-4065329-426	C	7796110

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VAL II I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
38-4097325-488	C	44254

a Name of MTIA, CCT, PSA, or 103-12 IE: VICT SM CAP GR I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
38-4126288-592	C	402244

a Name of MTIA, CCT, PSA, or 103-12 IE: PUTNAM STABLE VALUE

b Name of sponsor of entity listed in (a): PUTNAM FIDUCIARY TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
04-3159710-202	C	8447670

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II **Information on Participating Plans (to be completed by DFEs)**
(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
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b Name of plan sponsor	**c** EIN-PN
a Plan name	
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b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
THE CANNON CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
THE CANNON CORPORATION

D Employer Identification Number (EIN)
16-0698950

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)	2376016	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)	0	91601
(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)	644399	581223
(9) Value of interest in common/collective trusts	1c(9)	4751290	19962045
(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)	177216428	182515219
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	**1d(1)**	4759212	4794102
	(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**	189747345	207944190
	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 through1j)	**1k**	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	**1l**	189747345	207944190

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
	Income			
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	**2a(1)(A)**	2350914	
	(B) Participants	**2a(1)(B)**	8171537	
	(C) Others (including rollovers)	**2a(1)(C)**	2247290	
	(2) Noncash contributions	**2a(2)**	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	**2a(3)**		12769741
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	**2b(1)(A)**	3	
	(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)**	29654	
	(F) Other	**2b(1)(F)**	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	**2b(1)(G)**		29657
	(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)**	2473182	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	**2b(2)(D)**		2473182
	(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)**	361787	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	**2b(5)(C)**		361787

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		313373
(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)		24038676
c Other income	2c		-152278
d Total income. Add all **income** amounts in column (b) and enter total	2d		39834138
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	21633233	
(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)		21633233
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)	4060	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		4060
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		21637293
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		18196845
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) [X] 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) [X] 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: JEFFREY L OFFHAUS CPA, LLC **(2)** EIN: 20-2368569

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:

		Yes	No	Amount
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.)	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?	**4e**	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**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.)	**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 _____.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
THE CANNON CORPORATION 401(K) PLAN

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
THE CANNON CORPORATION

D Employer Identification Number (EIN)
16-0698950

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): 23-2186884 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**

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)	**14a**	
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)	**14b**	
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)	**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	**15a**	
b The corresponding number for the second preceding plan year	**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	**16a**	
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	**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 Cannon Corporation
401(k) Plan

Financial Statements as of December 31, 2020 and 2019
and for the Year Ended December 31, 2020,
Supplemental Schedule, and
Independent Auditor's Report

The Cannon Corporation 401(k) Plan

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JEFFREY L. OFFHAUS CPA, LLC
Certified Public Accountant

Independent Auditor's Report

Plan Trustees and Participants
The Cannon Corporation 401(k) Plan

Report on the Financial Statements

I was engaged to audit the accompanying financial statements of The Cannon Corporation 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and 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 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

My responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, I was 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 me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Fidelity Management Trust Company and Vanguard Fiduciary Trust Company, the custodians of the Plan, except for comparing such information with the related information included in the financial statements. I have been informed by the plan administrator that the custodians hold the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the custodians 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 custodians is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2020 listed in the table of contents is required by the Department of Labor's (DOL) 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 matter described in the *Basis for Disclaimer of Opinion* paragraph, I do not express an opinion on this supplemental schedule.

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 schedule, other than that derived from the information certified by the custodian, have been audited by me in accordance with auditing standards generally accepted in the United States of America and, in my 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.



Orchard Park, New York
October 12, 2021

The Cannon Corporation 401(k) Plan

Statements of Net Assets Available for Benefits
December 31, 2020 and 2019

	2020	2019
Assets		
Investments, at fair value:		
Participant-directed:		
Mutual funds	$ 182,476,168	$ 177,216,428
Collective investment trust funds	19,962,045	4,751,290
The Cannon Corporation common stock	218,743	250,276
Brokerage accounts	130,652	-
	202,787,608	182,217,994
Nonparticipant-directed:		
The Cannon Corporation common stock	4,575,359	4,508,936
Total investments	207,362,967	186,726,930
Receivables:		
Employer matching contributions	-	2,376,016
Notes receivable from participants	581,223	644,399
Total receivables	581,223	3,020,415
Net assets available for benefits	$ 207,944,190	$ 189,747,345

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

The Cannon Corporation 401(k) Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2020

	Participant-Directed		Non-Participant-Directed	
	Investments	Company Stock	Company Stock	Total
Additions:				
Investment income:				
Net appreciation in fair value of investments	$ 24,199,774	$ 16,508	$ 345,279	$ 24,561,561
Dividend income	2,473,182	-	-	2,473,182
Net investment income	26,672,956	16,508	345,279	27,034,743
Interest from participant loans	29,654	-	-	29,654
Contributions:				
Employer matching	2,350,914	-	-	2,350,914
Participants	8,171,537	-	-	8,171,537
Participant rollovers	2,247,290	-	-	2,247,290
Total contributions	12,769,741	-	-	12,769,741
Total additions	39,472,351	16,508	345,279	39,834,138
Deductions:				
Benefits paid to participants	21,633,233	-	-	21,633,233
Administrative expenses	4,060	-	-	4,060
Total deductions	21,637,293	-	-	21,637,293
Net increase	17,835,058	16,508	345,279	18,196,845
Net transfers	326,897	(48,041)	(278,856)	-
Net assets available for benefits - Beginning of year	184,988,133	250,276	4,508,936	189,747,345
Net assets available for benefits - End of year	$ 203,150,088	$ 218,743	$ 4,575,359	$ 207,944,190

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

The Cannon Corporation 401(k) Plan

Notes to Financial Statements

1. Description of Plan

The following description of The Cannon Corporation 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 provision. Information about the Plan agreement and the vesting and benefit provisions is contained in *The Cannon Corporation 401(k) Plan's Summary Plan Description.*

General. The Plan is a defined contribution plan which covers all employees of The Cannon Corporation (the "Plan Sponsor" or "Company") and participating employers. Prior to December 1, 2020, the age requirement to participate in the plan was twenty-one years or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective December 1, 2020, the Plan Sponsor changed the Plan's recordkeeper and Trustee from Vanguard Fiduciary Trust Company (Vanguard) to Fidelity Management Trust Company (Fidelity) and adopted a volume submitter defined contribution plan document sponsored by Fidelity Management & Research Company. During the migration to Fidelity, there was a blackout period beginning November 24, 2020 through December 16, 2020. During this period, record keeping services were transferred to Fidelity and all amounts in the investment options, including loans were mapped and transferred to the new investment fund lineup with Fidelity. Generally, the provisions and features under the former plan document carried over to the Fidelity plan document (see Note 5).

Contributions. Each year, participants may contribute up to 75% of annual compensation (up to 50% prior to December 1, 2020), as defined in the Plan document, to the Plan. Participants who have attained the age 50 before the end of the Plan year are eligible to make catch-up contributions. Roth, or after-tax deferrals, are also permitted under the Plan. Participants may also contribute amounts representing distributions from other qualified plans (rollovers).

The Plan Sponsor may make discretionary matching contributions and discretionary nonelective contributions. For 2020, the Board of Directors of the Company approved a matching contribution of 50% of the first 6% of eligible participant contributions. There were no discretionary nonelective contributions for 2020. A participant must be employed on the last day of the year to be eligible for any discretionary matching contributions and any nonelective contributions that may be made for that Plan year. Discretionary nonelective contributions, if any, will be allocated to a participant's account in the ratio that eligible compensation bears to the total eligible compensation paid to all eligible participants. Also, Plan provisions previously permitted the Company to make matching contributions for officers of the Company to the Cannon Non-Qualified Plan in lieu of matching contributions to the Plan. Company and Participant contributions previously made in the form of Cannon Stock cannot be transferred to any other investment option.

Newly hired eligible employees are automatically enrolled in the Plan with a payroll deferral of 4% increasing 1% annually up to a maximum of 10%. Eligible employees may decline participation within 30 days and may change deferral percentages at any time under the Plan.

Contributions are subject to certain limitations.

The initial election of the amount of employee contributions is made by each participant at the beginning of any pay period. Additionally, participants may elect one of several available investment options, including a self-directed brokerage account; however, employee elective deferrals into Cannon Stock are not permitted. Investment options in the self-directed brokerage accounts are restricted to mutual funds. Participants have the opportunity to change their options previously elected at any time.

Restriction of Transfer – Cannon Stock. All Cannon Stock shares held within the Plan shall be redeemed upon termination of employment by a participant for any reason with the Company in accordance with the Plan agreement and Company policies.

Participant Accounts. For all investment options, each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution, if any, and (b) Plan earnings or losses. Allocations are based on participant salary deferral agreements and account balances, respectively, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting. Participants are 100% vested in the Plan upon entry into the Plan for both participant and Company contributions.

Payment of Benefits. Upon termination of service due to retirement, death, or disability, a participant with a vested benefit in excess of $5,000 may elect to keep the benefit in the Plan or to receive either a lump-sum amount equal to the value of his or her account, or various monthly installment packages. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution or as an eligible rollover distribution, as defined. If the participant elects to keep the vested contributions in the Plan, an administrative fee is charged against the participant's account. Vested accounts of less than $5,000 may not be kept in the Plan.

Notes Receivable from Participants. Participants in the Plan may borrow from their fully vested account balance in accordance with the Plan document. Generally, loans are repaid at terms ranging from one to five years. Interest charged on the loans will be at a reasonable rate as prescribed in the Plan document. The Plan restricts a participant to have only one outstanding loan at any time.

Plan Recordkeeping. With the exception of the Plan's investments in Cannon Stock, Fidelity, the Trustee of the Plan has sole authority over all transactions made on behalf of the Plan. Prior to December 1, 2020, Vanguard was the recordkeeper with authority over the Plan's transactions.

Plan Termination. Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

Coronavirus Aid, Relief, and Economic Security Act — The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was passed into law on March 27, 2020 and, among other things, included several relief provisions available to tax-qualified retirement plans and their participants. In April 2020, the Plan adopted certain relief provisions to participant distributions and loans as permitted by the CARES Act.

2. Summary of Accounting Policies

Basis of Accounting. The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investment Valuation and Income Recognition. Investments are reported at fair value. Fair value 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. See Note 3 for discussion of fair value measurements.

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

Notes Receivable from Participants. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2020 or 2019. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced, and a benefit payment is recorded. In accordance with the CARES Act, the Plan permitted qualifying participants to delay loan repayments that were due between March 27, 2020 and December 31, 2020, and increase the maximum loan limit, as defined. During this period, four participants elected to defer loan repayment under terms of the CARES Act.

Payment of Benefits. Benefits are recorded when paid. In accordance with the CARES Act, the Plan permitted eligible Plan participants to request penalty-free distributions of up to $100,000 for qualifying coronavirus-related reasons. The Plan made $392,351 of CARES Act distributions during the year ended December 31, 2020.

Plan Expenses. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates. The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

Recent Accounting Pronouncements — The Plan adopted Accounting Standards Update 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, during 2020. The adoption of this standard did not impact the financial statements or disclosures.

Subsequent Events. The Plan has evaluated subsequent events through October 12, 2021, the date the financial statements were available to be issued.

Beginning in March 2020, the financial markets experienced significant volatility due to the coronavirus COVID-19 pandemic. While the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing, it could impact the volatility of the Plan's investments and Plan assets. The impact to participants would be dependent on the timing of distributions and the related share price of investments held at the distribution date.

3. Fair Value Measurements

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the 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; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specific (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 overall fair value measurement.

The asset's 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The Company's policy is to recognize transfers in and out of "Levels" as of the end of the reporting period.

Following is a description of the valuation methodologies used for the assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

Mutual Funds —Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission and are actively traded. These funds are required to publish their daily net asset value ("NAV") and to transact at that price.

Collective Investment Trust Funds — Investments include a stable value fund and various collective investment trusts managed by Wilmington Trust, N.A. The stable value fund invests in high-quality guaranteed investment contracts and similar contracts issued by insurance companies, banks and other financial institutions. The stable value fund and collective investment trusts generally permits redemption daily. Certain contractual terms may limit exchange of the stable value fund into a competing fund. The stable value fund and collective investment trusts are valued using NAV per share as a practical expedient. NAV is based on the fair value of the underlying portfolio securities held by the fund less its liabilities. Prior to December 1, 2020, the Vanguard Retirement Savings Trust investment was a stable value fund composed of fully benefit-responsive investment contracts. NAV of the Vanguard Retirement Savings Trust at December 31, 2019 were valued using NAV per share as a practical expedient based on the fair value of the underlying portfolio securities held by the fund less its liabilities.

Cannon Corporation Common Stock — The Plan's investment in Cannon Stock is valued at the adjusted net book value per share of the underlying equity of the Company at December 31, 2020 and 2019, respectively, which approximates fair value. This method of valuation is consistent with all Cannon Stock transactions, including but not limited to transactions with the Company's other benefit plans, and sales and purchases to Company Officers in accordance with individual shareholders agreements. Contributions to the Plan that are invested in Cannon Stock, and distributions from the Plan of amounts

invested in Cannon Stock, are based on the previous audited December 31 adjusted net book value per share (total shareholders' equity divided by total outstanding shares of the Company). Effective January 1, 2021, the Company will implement a new fair value methodology for determining the per share value of Cannon Stock, including a 4:3 stock split on January 1, 2021. During 2020, there were no issuances and $326,897 of redemptions.

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:

		Fair Value at December 31,	
	Hierarchy	**2020**	**2019**
Mutual funds	Level 1	$ 182,476,168	$ 177,216,428
Brokerage accounts	Level 1	130,652	-
Common stock - Cannon Corporation	Level 3	4,794,102	4,759,212
		187,400,922	181,975,640
Investments measured at net asset value	(a)	19,962,045	4,751,290
Total investments at fair value		$ 207,362,967	$ 186,726,930

(a) The stable value fund and collective investment trust funds measured at net asset value per share have not been classified in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The Putnam Stable Value Fund's redemption frequency and notice period were daily as of December 31, 2020. The collective investment trusts' redemption frequency and notice period were daily as of December 31, 2020. At December 31, 2019, the redemption frequency and notice period for the Vanguard Investment Trust were daily and twelve months, respectively. There were no unfunded commitments at December 31, 2020 and 2019.

4. Related Party Transactions

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee and custodian as defined by the Plan. Prior to December 1, 2020, certain investments were managed by an affiliate of Vanguard, as custodian for those investments. The Fidelity and Vanguard transactions in such investments during the Plan year qualify as party-in-interest transactions which are exempt from the prohibited transaction rules. Notes receivable from participants qualify as party-in-interest transactions.

Certain employees and officers of the Company, who may also be participants in the Plan, perform administrative services to the Plan at no cost to the Plan.

At December 31, 2020 and 2019, the Plan held 171,462 and 184,108 shares, respectively, of Cannon Stock with a cost basis of $3,010,389 and $3,187,922, respectively.

5. Tax Status

Effective December 1, 2020, the Plan adopted a volume submitter defined contribution plan document sponsored by Fidelity Management & Research Co., a related party to Fidelity. Fidelity Management & Research Co. received an opinion letter from the Internal Revenue Service (the "IRS"), dated March 31, 2014, which states that the volume submitter document satisfies the applicable provisions of the Internal Revenue Code (IRC). The Plan has not received a determination letter specific to the Plan itself; however, the plan administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements. Prior to December 1, 2020, the Plan obtained its latest determination letter dated August 10, 2017, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

As of December 31, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Financial Information Certified by Custodian (Unaudited)

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule that was prepared by Fidelity Management Trust Company and Vanguard Fiduciary Trust Company, the custodians of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the custodians that such information is complete and accurate as of December 31, 2020 and 2019 and for the year ended December 31, 2020.

	December 31, 2020	December 31, 2019
Statements of Net Assets Available for Benefits:		
Investments:		
Mutual funds	$ 182,476,168	$ 177,216,428
Collective investment trust funds	19,962,045	4,751,290
Brokerage accounts	130,652	-
Participant loans	581,223	644,399

	2020
Statement of Changes in Net Assets Available for Benefits:	
Net appreciation in fair value of investments	$ 24,199,774
Dividend income	2,473,182
Interest form participant loans	29,654

Supplemental Schedule – all investment balances and information except for Cannon Stock.

Note 3 – all investment balances in the Note except for Cannon Stock and for the classification of investments within the fair value hierarchy.

* * * * * *

The Cannon Corporation 401(k) Plan

EIN 16-0698950 Plan No. 003
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2020

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost **	(e) Current Value
	Mutual Funds:			
	T. Rowe Price	TRP BLUE CHIP GRTH I	$ -	$ 26,112,812
	The Vanguard Group, Inc.	VANG INTL GROWTH ADM	-	10,004,764
	BlackRock, Inc.	BLKRK LP IDX RTMT K	-	16,330,572
	BlackRock, Inc.	BLKRK LP IDX 2025 K	-	21,399,965
	BlackRock, Inc.	BLKRK LP IDX 2030 K	-	14,693,803
	BlackRock, Inc.	BLKRK LP IDX 2035 K	-	18,886,021
	BlackRock, Inc.	BLKRK LP IDX 2040 K	-	13,774,341
	BlackRock, Inc.	BLKRK LP IDX 2045 K	-	14,170,406
	BlackRock, Inc.	BLKRK LP IDX 2050 K	-	8,971,358
	BlackRock, Inc.	BLKRK LP IDX 2055 K	-	4,843,063
	BlackRock, Inc.	BLKRK LP IDX 2060 K	-	1,571,065
	BlackRock, Inc.	BLKRK LP IDX 2065 K	-	15,050
*	Fidelity Investments, Inc.	FID US BOND IDX	-	4,675,002
*	Fidelity Investments, Inc.	FID 500 INDEX	-	19,964,053
*	Fidelity Investments, Inc.	FID EXTD MKT IDX	-	5,404,022
*	Fidelity Investments, Inc.	FID TOTAL INTL IDX	-	1,659,270
*	Fidelity Investments, Inc.	FID MM Cash	-	601
				182,476,168
	Collective Investment Trust Funds:			
	Putnam Fiduciary Trust Co.	PUTNAM STABLE VALUE	-	8,447,670
	Wilmington Trust, N.A.	SMALL CAP VAL II I1	-	44,255
	Wilmington Trust, N.A.	LARGE CP VALUE I1	-	7,796,110
	Wilmington Trust, N.A.	VICT SM CAP GR I1	-	402,243
	Wilmington Trust, N.A.	CORE PLUS BOND I1	-	3,271,767
				19,962,045
*	The Cannon Corporation	Common Stock, 171,462 shares	$ 3,010,389	4,794,102
*	Loan Funds	Participant loans, maturity through 2029 at interest rates of 4.25% - 6.50%	$ 0	581,223
*	Fidelity BrokerageLink	Self directed brokerage accounts. Mutual funds and money market funds only.	-	130,652
TOTAL				$ 207,944,190

* Party-in-interest to the Plan.

** Cost information is not required for participant-directed investments and, therefore, is not included.

The Cannon Corporation 401(k) Plan

EIN 16-0698950 Plan No. 003
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2020

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost **	(e) Current Value
	Mutual Funds:			
	T. Rowe Price	TRP BLUE CHIP GRTH I	$ -	$ 26,112,812
	The Vanguard Group, Inc.	VANG INTL GROWTH ADM	-	10,004,764
	BlackRock, Inc.	BLKRK LP IDX RTMT K	-	16,330,572
	BlackRock, Inc.	BLKRK LP IDX 2025 K	-	21,399,965
	BlackRock, Inc.	BLKRK LP IDX 2030 K	-	14,693,803
	BlackRock, Inc.	BLKRK LP IDX 2035 K	-	18,886,021
	BlackRock, Inc.	BLKRK LP IDX 2040 K	-	13,774,341
	BlackRock, Inc.	BLKRK LP IDX 2045 K	-	14,170,406
	BlackRock, Inc.	BLKRK LP IDX 2050 K	-	8,971,358
	BlackRock, Inc.	BLKRK LP IDX 2055 K	-	4,843,063
	BlackRock, Inc.	BLKRK LP IDX 2060 K	-	1,571,065
	BlackRock, Inc.	BLKRK LP IDX 2065 K	-	15,050
*	Fidelity Investments, Inc.	FID US BOND IDX	-	4,675,002
*	Fidelity Investments, Inc.	FID 500 INDEX	-	19,964,053
*	Fidelity Investments, Inc.	FID EXTD MKT IDX	-	5,404,022
*	Fidelity Investments, Inc.	FID TOTAL INTL IDX	-	1,659,270
*	Fidelity Investments, Inc.	FID MM Cash	-	601
				182,476,168
	Collective Investment Trust Funds:			
	Putnam Fiduciary Trust Co.	PUTNAM STABLE VALUE	-	8,447,670
	Wilmington Trust, N.A.	SMALL CAP VAL II I1	-	44,255
	Wilmington Trust, N.A.	LARGE CP VALUE I1	-	7,796,110
	Wilmington Trust, N.A.	VICT SM CAP GR I1	-	402,243
	Wilmington Trust, N.A.	CORE PLUS BOND I1	-	3,271,767
				19,962,045
*	The Cannon Corporation	Common Stock, 171,462 shares	$ 3,010,389	4,794,102
*	Loan Funds	Participant loans, maturity through 2029 at interest rates of 4.25% - 6.50%	$ 0	581,223
*	Fidelity BrokerageLink	Self directed brokerage accounts. Mutual funds and money market funds only.	-	130,652
TOTAL				$ 207,944,190

* Party-in-interest to the Plan.

** Cost information is not required for participant-directed investments and, therefore, is not included.

The Cannon Corporation
401(k) Plan

Financial Statements as of December 31, 2020 and 2019
and for the Year Ended December 31, 2020,
Supplemental Schedule, and
Independent Auditor's Report

The Cannon Corporation 401(k) Plan

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JEFFREY L. OFFHAUS CPA, LLC
Certified Public Accountant

Independent Auditor's Report

Plan Trustees and Participants
The Cannon Corporation 401(k) Plan

Report on the Financial Statements

I was engaged to audit the accompanying financial statements of The Cannon Corporation 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and 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 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

My responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, I was 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 me not to perform, and I did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Fidelity Management Trust Company and Vanguard Fiduciary Trust Company, the custodians of the Plan, except for comparing such information with the related information included in the financial statements. I have been informed by the plan administrator that the custodians hold the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the custodians 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 custodians is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2020 listed in the table of contents is required by the Department of Labor's (DOL) 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 matter described in the *Basis for Disclaimer of Opinion* paragraph, I do not express an opinion on this supplemental schedule.

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 schedule, other than that derived from the information certified by the custodian, have been audited by me in accordance with auditing standards generally accepted in the United States of America and, in my 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.



Orchard Park, New York
October 12, 2021

The Cannon Corporation 401(k) Plan

Statements of Net Assets Available for Benefits
December 31, 2020 and 2019

	2020	2019
Assets		
Investments, at fair value:		
Participant-directed:		
Mutual funds	$ 182,476,168	$ 177,216,428
Collective investment trust funds	19,962,045	4,751,290
The Cannon Corporation common stock	218,743	250,276
Brokerage accounts	130,652	-
	202,787,608	182,217,994
Nonparticipant-directed:		
The Cannon Corporation common stock	4,575,359	4,508,936
Total investments	207,362,967	186,726,930
Receivables:		
Employer matching contributions	-	2,376,016
Notes receivable from participants	581,223	644,399
Total receivables	581,223	3,020,415
Net assets available for benefits	$ 207,944,190	$ 189,747,345

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

The Cannon Corporation 401(k) Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2020

	Participant-Directed		Non-Participant-Directed	
	Investments	Company Stock	Company Stock	Total
Additions:				
Investment income:				
Net appreciation in fair value of investments	$ 24,199,774	$ 16,508	$ 345,279	$ 24,561,561
Dividend income	2,473,182	-	-	2,473,182
Net investment income	26,672,956	16,508	345,279	27,034,743
Interest from participant loans	29,654	-	-	29,654
Contributions:				
Employer matching	2,350,914	-	-	2,350,914
Participants	8,171,537	-	-	8,171,537
Participant rollovers	2,247,290	-	-	2,247,290
Total contributions	12,769,741	-	-	12,769,741
Total additions	39,472,351	16,508	345,279	39,834,138
Deductions:				
Benefits paid to participants	21,633,233	-	-	21,633,233
Administrative expenses	4,060	-	-	4,060
Total deductions	21,637,293	-	-	21,637,293
Net increase	17,835,058	16,508	345,279	18,196,845
Net transfers	326,897	(48,041)	(278,856)	-
Net assets available for benefits - Beginning of year	184,988,133	250,276	4,508,936	189,747,345
Net assets available for benefits - End of year	$ 203,150,088	$ 218,743	$ 4,575,359	$ 207,944,190

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

The Cannon Corporation 401(k) Plan

Notes to Financial Statements

1. Description of Plan

The following description of The Cannon Corporation 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 provision. Information about the Plan agreement and the vesting and benefit provisions is contained in *The Cannon Corporation 401(k) Plan's Summary Plan Description.*

General. The Plan is a defined contribution plan which covers all employees of The Cannon Corporation (the "Plan Sponsor" or "Company") and participating employers. Prior to December 1, 2020, the age requirement to participate in the plan was twenty-one years or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective December 1, 2020, the Plan Sponsor changed the Plan's recordkeeper and Trustee from Vanguard Fiduciary Trust Company (Vanguard) to Fidelity Management Trust Company (Fidelity) and adopted a volume submitter defined contribution plan document sponsored by Fidelity Management & Research Company. During the migration to Fidelity, there was a blackout period beginning November 24, 2020 through December 16, 2020. During this period, record keeping services were transferred to Fidelity and all amounts in the investment options, including loans were mapped and transferred to the new investment fund lineup with Fidelity. Generally, the provisions and features under the former plan document carried over to the Fidelity plan document (see Note 5).

Contributions. Each year, participants may contribute up to 75% of annual compensation (up to 50% prior to December 1, 2020), as defined in the Plan document, to the Plan. Participants who have attained the age 50 before the end of the Plan year are eligible to make catch-up contributions. Roth, or after-tax deferrals, are also permitted under the Plan. Participants may also contribute amounts representing distributions from other qualified plans (rollovers).

The Plan Sponsor may make discretionary matching contributions and discretionary nonelective contributions. For 2020, the Board of Directors of the Company approved a matching contribution of 50% of the first 6% of eligible participant contributions. There were no discretionary nonelective contributions for 2020. A participant must be employed on the last day of the year to be eligible for any discretionary matching contributions and any nonelective contributions that may be made for that Plan year. Discretionary nonelective contributions, if any, will be allocated to a participant's account in the ratio that eligible compensation bears to the total eligible compensation paid to all eligible participants. Also, Plan provisions previously permitted the Company to make matching contributions for officers of the Company to the Cannon Non-Qualified Plan in lieu of matching contributions to the Plan. Company and Participant contributions previously made in the form of Cannon Stock cannot be transferred to any other investment option.

Newly hired eligible employees are automatically enrolled in the Plan with a payroll deferral of 4% increasing 1% annually up to a maximum of 10%. Eligible employees may decline participation within 30 days and may change deferral percentages at any time under the Plan.

Contributions are subject to certain limitations.

The initial election of the amount of employee contributions is made by each participant at the beginning of any pay period. Additionally, participants may elect one of several available investment options, including a self-directed brokerage account; however, employee elective deferrals into Cannon Stock are not permitted. Investment options in the self-directed brokerage accounts are restricted to mutual funds. Participants have the opportunity to change their options previously elected at any time.

Restriction of Transfer – Cannon Stock. All Cannon Stock shares held within the Plan shall be redeemed upon termination of employment by a participant for any reason with the Company in accordance with the Plan agreement and Company policies.

Participant Accounts. For all investment options, each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution, if any, and (b) Plan earnings or losses. Allocations are based on participant salary deferral agreements and account balances, respectively, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Vesting. Participants are 100% vested in the Plan upon entry into the Plan for both participant and Company contributions.

Payment of Benefits. Upon termination of service due to retirement, death, or disability, a participant with a vested benefit in excess of $5,000 may elect to keep the benefit in the Plan or to receive either a lump-sum amount equal to the value of his or her account, or various monthly installment packages. For termination of service for other reasons, a participant may receive the value of the vested interest in his or her account as a lump-sum distribution or as an eligible rollover distribution, as defined. If the participant elects to keep the vested contributions in the Plan, an administrative fee is charged against the participant's account. Vested accounts of less than $5,000 may not be kept in the Plan.

Notes Receivable from Participants. Participants in the Plan may borrow from their fully vested account balance in accordance with the Plan document. Generally, loans are repaid at terms ranging from one to five years. Interest charged on the loans will be at a reasonable rate as prescribed in the Plan document. The Plan restricts a participant to have only one outstanding loan at any time.

Plan Recordkeeping. With the exception of the Plan's investments in Cannon Stock, Fidelity, the Trustee of the Plan has sole authority over all transactions made on behalf of the Plan. Prior to December 1, 2020, Vanguard was the recordkeeper with authority over the Plan's transactions.

Plan Termination. Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

Coronavirus Aid, Relief, and Economic Security Act — The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was passed into law on March 27, 2020 and, among other things, included several relief provisions available to tax-qualified retirement plans and their participants. In April 2020, the Plan adopted certain relief provisions to participant distributions and loans as permitted by the CARES Act.

2. Summary of Accounting Policies

Basis of Accounting. The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Investment Valuation and Income Recognition. Investments are reported at fair value. Fair value 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. See Note 3 for discussion of fair value measurements.

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

Notes Receivable from Participants. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2020 or 2019. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant loan balance is reduced, and a benefit payment is recorded. In accordance with the CARES Act, the Plan permitted qualifying participants to delay loan repayments that were due between March 27, 2020 and December 31, 2020, and increase the maximum loan limit, as defined. During this period, four participants elected to defer loan repayment under terms of the CARES Act.

Payment of Benefits. Benefits are recorded when paid. In accordance with the CARES Act, the Plan permitted eligible Plan participants to request penalty-free distributions of up to $100,000 for qualifying coronavirus-related reasons. The Plan made $392,351 of CARES Act distributions during the year ended December 31, 2020.

Plan Expenses. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates. The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

Recent Accounting Pronouncements — The Plan adopted Accounting Standards Update 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, during 2020. The adoption of this standard did not impact the financial statements or disclosures.

Subsequent Events. The Plan has evaluated subsequent events through October 12, 2021, the date the financial statements were available to be issued.

Beginning in March 2020, the financial markets experienced significant volatility due to the coronavirus COVID-19 pandemic. While the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are still developing, it could impact the volatility of the Plan's investments and Plan assets. The impact to participants would be dependent on the timing of distributions and the related share price of investments held at the distribution date.

3. Fair Value Measurements

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the 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; or inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specific (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 overall fair value measurement.

The asset's 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The Company's policy is to recognize transfers in and out of "Levels" as of the end of the reporting period.

Following is a description of the valuation methodologies used for the assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

Mutual Funds —Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission and are actively traded. These funds are required to publish their daily net asset value ("NAV") and to transact at that price.

Collective Investment Trust Funds — Investments include a stable value fund and various collective investment trusts managed by Wilmington Trust, N.A. The stable value fund invests in high-quality guaranteed investment contracts and similar contracts issued by insurance companies, banks and other financial institutions. The stable value fund and collective investment trusts generally permits redemption daily. Certain contractual terms may limit exchange of the stable value fund into a competing fund. The stable value fund and collective investment trusts are valued using NAV per share as a practical expedient. NAV is based on the fair value of the underlying portfolio securities held by the fund less its liabilities. Prior to December 1, 2020, the Vanguard Retirement Savings Trust investment was a stable value fund composed of fully benefit-responsive investment contracts. NAV of the Vanguard Retirement Savings Trust at December 31, 2019 were valued using NAV per share as a practical expedient based on the fair value of the underlying portfolio securities held by the fund less its liabilities.

Cannon Corporation Common Stock — The Plan's investment in Cannon Stock is valued at the adjusted net book value per share of the underlying equity of the Company at December 31, 2020 and 2019, respectively, which approximates fair value. This method of valuation is consistent with all Cannon Stock transactions, including but not limited to transactions with the Company's other benefit plans, and sales and purchases to Company Officers in accordance with individual shareholders agreements. Contributions to the Plan that are invested in Cannon Stock, and distributions from the Plan of amounts

invested in Cannon Stock, are based on the previous audited December 31 adjusted net book value per share (total shareholders' equity divided by total outstanding shares of the Company). Effective January 1, 2021, the Company will implement a new fair value methodology for determining the per share value of Cannon Stock, including a 4:3 stock split on January 1, 2021. During 2020, there were no issuances and $326,897 of redemptions.

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:

		Fair Value at December 31,	
	Hierarchy	**2020**	**2019**
Mutual funds	Level 1	$ 182,476,168	$ 177,216,428
Brokerage accounts	Level 1	130,652	-
Common stock - Cannon Corporation	Level 3	4,794,102	4,759,212
		187,400,922	181,975,640
Investments measured at net asset value	(a)	19,962,045	4,751,290
Total investments at fair value		$ 207,362,967	$ 186,726,930

(a) The stable value fund and collective investment trust funds measured at net asset value per share have not been classified in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The Putnam Stable Value Fund's redemption frequency and notice period were daily as of December 31, 2020. The collective investment trusts' redemption frequency and notice period were daily as of December 31, 2020. At December 31, 2019, the redemption frequency and notice period for the Vanguard Investment Trust were daily and twelve months, respectively. There were no unfunded commitments at December 31, 2020 and 2019.

4. Related Party Transactions

Certain Plan investments are shares of mutual funds managed by Fidelity. Fidelity is the trustee and custodian as defined by the Plan. Prior to December 1, 2020, certain investments were managed by an affiliate of Vanguard, as custodian for those investments. The Fidelity and Vanguard transactions in such investments during the Plan year qualify as party-in-interest transactions which are exempt from the prohibited transaction rules. Notes receivable from participants qualify as party-in-interest transactions.

Certain employees and officers of the Company, who may also be participants in the Plan, perform administrative services to the Plan at no cost to the Plan.

At December 31, 2020 and 2019, the Plan held 171,462 and 184,108 shares, respectively, of Cannon Stock with a cost basis of $3,010,389 and $3,187,922, respectively.

5. Tax Status

Effective December 1, 2020, the Plan adopted a volume submitter defined contribution plan document sponsored by Fidelity Management & Research Co., a related party to Fidelity. Fidelity Management & Research Co. received an opinion letter from the Internal Revenue Service (the "IRS"), dated March 31, 2014, which states that the volume submitter document satisfies the applicable provisions of the Internal Revenue Code (IRC). The Plan has not received a determination letter specific to the Plan itself; however, the plan administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC. Therefore, no provision for income tax has been included in the Plan's financial statements. Prior to December 1, 2020, the Plan obtained its latest determination letter dated August 10, 2017, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

As of December 31, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

6. Financial Information Certified by Custodian (Unaudited)

The following is a summary of the unaudited information regarding the Plan, included in the Plan's financial statements and supplemental schedule that was prepared by Fidelity Management Trust Company and Vanguard Fiduciary Trust Company, the custodians of the Plan, and furnished to the plan administrator. The plan administrator has obtained certifications from the custodians that such information is complete and accurate as of December 31, 2020 and 2019 and for the year ended December 31, 2020.

	December 31, 2020	December 31, 2019
Statements of Net Assets Available for Benefits:		
Investments:		
Mutual funds	$ 182,476,168	$ 177,216,428
Collective investment trust funds	19,962,045	4,751,290
Brokerage accounts	130,652	-
Participant loans	581,223	644,399

	2020
Statement of Changes in Net Assets Available for Benefits:	
Net appreciation in fair value of investments	$ 24,199,774
Dividend income	2,473,182
Interest form participant loans	29,654

Supplemental Schedule – all investment balances and information except for Cannon Stock.

Note 3 – all investment balances in the Note except for Cannon Stock and for the classification of investments within the fair value hierarchy.

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The Cannon Corporation 401(k) Plan

EIN 16-0698950 Plan No. 003
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2020

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost **	(e) Current Value
	Mutual Funds:			
	T. Rowe Price	TRP BLUE CHIP GRTH I	$ -	$ 26,112,812
	The Vanguard Group, Inc.	VANG INTL GROWTH ADM	-	10,004,764
	BlackRock, Inc.	BLKRK LP IDX RTMT K	-	16,330,572
	BlackRock, Inc.	BLKRK LP IDX 2025 K	-	21,399,965
	BlackRock, Inc.	BLKRK LP IDX 2030 K	-	14,693,803
	BlackRock, Inc.	BLKRK LP IDX 2035 K	-	18,886,021
	BlackRock, Inc.	BLKRK LP IDX 2040 K	-	13,774,341
	BlackRock, Inc.	BLKRK LP IDX 2045 K	-	14,170,406
	BlackRock, Inc.	BLKRK LP IDX 2050 K	-	8,971,358
	BlackRock, Inc.	BLKRK LP IDX 2055 K	-	4,843,063
	BlackRock, Inc.	BLKRK LP IDX 2060 K	-	1,571,065
	BlackRock, Inc.	BLKRK LP IDX 2065 K	-	15,050
*	Fidelity Investments, Inc.	FID US BOND IDX	-	4,675,002
*	Fidelity Investments, Inc.	FID 500 INDEX	-	19,964,053
*	Fidelity Investments, Inc.	FID EXTD MKT IDX	-	5,404,022
*	Fidelity Investments, Inc.	FID TOTAL INTL IDX	-	1,659,270
*	Fidelity Investments, Inc.	FID MM Cash	-	601
				182,476,168
	Collective Investment Trust Funds:			
	Putnam Fiduciary Trust Co.	PUTNAM STABLE VALUE	-	8,447,670
	Wilmington Trust, N.A.	SMALL CAP VAL II I1	-	44,255
	Wilmington Trust, N.A.	LARGE CP VALUE I1	-	7,796,110
	Wilmington Trust, N.A.	VICT SM CAP GR I1	-	402,243
	Wilmington Trust, N.A.	CORE PLUS BOND I1	-	3,271,767
				19,962,045
*	The Cannon Corporation	Common Stock, 171,462 shares	$ 3,010,389	4,794,102
*	Loan Funds	Participant loans, maturity through 2029 at interest rates of 4.25% - 6.50%	$ 0	581,223
*	Fidelity BrokerageLink	Self directed brokerage accounts. Mutual funds and money market funds only.	-	130,652
TOTAL				$ 207,944,190

* Party-in-interest to the Plan.

** Cost information is not required for participant-directed investments and, therefore, is not included.