

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2020</div> This Form is Open to Public Inspection
---	---	--

Part I	Annual Report Identification Information
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>O'NEIL & ASSOCIATES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2004</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/2004</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/2004</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>O NEIL & ASSOCIATES, INC.</u> <u>495 BYERS ROAD</u> <u>MIAMISBURG, OH 45342-3662</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-0629068</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>937-865-0800</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>511130</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-0629068</u>	2c Plan Sponsor's telephone number <u>937-865-0800</u>	2d Business code (see instructions) <u>511130</u>	
2b Employer Identification Number (EIN) <u>31-0629068</u>					
2c Plan Sponsor's telephone number <u>937-865-0800</u>					
2d Business code (see instructions) <u>511130</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2021	HERNAN OLIVAS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2020)
v. 200204

3a Plan administrator's name and address ☐ Same as Plan Sponsor O NEIL & ASSOCIATES, INC. 495 BYERS ROAD MIAMISBURG, OH 45342-3662		3b Administrator's EIN 31-0629068
		3c Administrator's telephone number 937-865-0800
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		5 303
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) 186
a(2) Total number of active participants at the end of the plan year		6a(2) 164
b Retired or separated participants receiving benefits.....		6b 68
c Other retired or separated participants entitled to future benefits		6c 55
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 287
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 4
f Total. Add lines 6d and 6e		6f 291
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g 289
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 14
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: 2I 2P 2Q 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) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2020 Form M-1 annual report. If the plan was not required to file the 2020 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2020 This Form is Open to Public Inspection		
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>				
A Name of plan <u>O'NEIL & ASSOCIATES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; padding: 5px;"> B Three-digit plan number (PN) ► </td> <td style="width: 20%; padding: 5px; text-align: center;"> <u>002</u> </td> </tr> </table>		B Three-digit plan number (PN) ►	<u>002</u>
B Three-digit plan number (PN) ►	<u>002</u>			
C Plan sponsor's name as shown on line 2a of Form 5500 <u>O NEIL & ASSOCIATES, INC.</u>	D Employer Identification Number (EIN) <u>31-0629068</u>			

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....		1a	
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions		1b(1)	13025591275770
(2) Participant contributions.....		1b(2)	
(3) Other		1b(3)	5516550
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)		1c(1)	32335813505474
(2) U.S. Government securities		1c(2)	
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred		1c(3)(A)	
(B) All other.....		1c(3)(B)	
(4) Corporate stocks (other than employer securities):			
(A) Preferred		1c(4)(A)	
(B) Common		1c(4)(B)	
(5) Partnership/joint venture interests		1c(5)	
(6) Real estate (other than employer real property)		1c(6)	
(7) Loans (other than to participants).....		1c(7)	
(8) Participant loans		1c(8)	
(9) Value of interest in common/collective trusts		1c(9)	
(10) Value of interest in pooled separate accounts		1c(10)	
(11) Value of interest in master trust investment accounts		1c(11)	
(12) Value of interest in 103-12 investment entities		1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)		1c(13)	
(14) Value of funds held in insurance company general account (unallocated contracts).....		1c(14)	
(15) Other.....		1c(15)	

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities.....	1d(1)	17536998	12986501
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	22624793	17767745
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness.....	1i	5965653	5625690
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	5965653	5625690
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	16659140	12142055

Part II Income and Expense Statement

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

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1799423	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1799423
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	17927	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		17927
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(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)		
(B) Other	2b(5)(B)	-4550497	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-4550497

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		-2733147

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1652932	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1652932
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		131006
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1783938

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-4517085
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **FLAGEL HUBER FLAGEL**

(2) EIN: **31-0796034**

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		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?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.			

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan O'NEIL & ASSOCIATES, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 O NEIL & ASSOCIATES, INC.		D Employer Identification Number (EIN) 31-0629068
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 20-1171923		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?		☐ Yes ☒ No
11 a Does the ESOP hold any preferred stock?		☐ Yes ☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)		☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?		☒ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2020 v. 200204		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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 _____

**O'Neil & Associates, Inc.
Employee Stock Ownership Plan**

Financial Statements

December 31, 2020 and 2019



FLAGEL HUBER FLAGEL
Certified Public Accountants | Business Advisors

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Table of Contents

December 31, 2020 and 2019

Independent Auditor's Report	Page 1 - 2
-------------------------------------	------------

Financial Statements

Statements of Net Assets Available for Benefits	3 - 4
Statements of Changes in Net Assets Available for Benefits	5 - 6
Notes to Financial Statements	7 - 14

Supplementary Information

Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes at End of Year	15
--	----



FLAGEL HUBER FLAGEL
CPAs & BUSINESS ADVISORS

Independent Auditor's Report

To the Trustees of O'Neil & Associates, Inc.
Employee Stock Ownership Plan

Report on the Financial Statements

We have audited the accompanying financial statements of O'Neil & Associates, Inc. Employee Stock Ownership Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of O'Neil & Associates, Inc. Employee Stock Ownership Plan as of December 31, 2020 and 2019, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

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

A handwritten signature in cursive script that reads "Flagel Huber Flagel".

Certified Public Accountants

Dayton, Ohio

October 14, 2021

O'Neil & Associates, Inc. Employee Stock Ownership Plan
Statement of Net Assets Available for Benefits
December 31, 2020

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Assets			
Investments at fair value:			
Money market	\$ 3,505,474	\$ 0	\$ 3,505,474
Investment in sponsor company common stock	<u>9,099,559</u>	<u>3,886,942</u>	<u>12,986,501</u>
	<u>12,605,033</u>	<u>3,886,942</u>	<u>16,491,975</u>
Receivables:			
Employer contribution	<u>1,275,770</u>	<u>0</u>	<u>1,275,770</u>
Total assets	<u>13,880,803</u>	<u>3,886,942</u>	<u>17,767,745</u>
Liabilities			
Loan payable	<u>0</u>	<u>(5,625,690)</u>	<u>(5,625,690)</u>
Total liabilities	<u>0</u>	<u>(5,625,690)</u>	<u>(5,625,690)</u>
Net Assets Available for Benefits:	<u>\$ 13,880,803</u>	<u>\$ (1,738,748)</u>	<u>\$ 12,142,055</u>

The accompanying notes are an integral part of these statements.

O'Neil & Associates, Inc. Employee Stock Ownership Plan
Statement of Net Assets Available for Benefits
December 31, 2019

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Assets			
Investments at fair value:			
Money market	\$ 3,233,581	\$ 0	\$ 3,233,581
Investment in sponsor company common stock	<u>11,913,140</u>	<u>5,623,858</u>	<u>17,536,998</u>
	<u>15,146,721</u>	<u>5,623,858</u>	<u>20,770,579</u>
Receivables:			
Employer contribution	1,302,559	0	1,302,559
Dividend income	<u>551,655</u>	<u>0</u>	<u>551,655</u>
	<u>1,854,214</u>	<u>0</u>	<u>1,854,214</u>
Total assets	<u>17,000,935</u>	<u>5,623,858</u>	<u>22,624,793</u>
Liabilities			
Loan payable	<u>0</u>	<u>(5,965,653)</u>	<u>(5,965,653)</u>
Total liabilities	<u>0</u>	<u>(5,965,653)</u>	<u>(5,965,653)</u>
Net Assets Available for Benefits	<u>\$ 17,000,935</u>	<u>\$ (341,795)</u>	<u>\$ 16,659,140</u>

The accompanying notes are an integral part of these statements.

O'Neil & Associates, Inc. Employee Stock Ownership Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2020

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions to Net Assets			
Attributed To:			
Contributions:			
Employer contributions	\$ 1,328,454	\$ 470,969	\$ 1,799,423
Allocation of 872.20 shares of common stock of O'Neil & Associates, Inc. at fair value	<u>277,639</u>	<u>0</u>	<u>277,639</u>
	<u>1,606,093</u>	<u>470,969</u>	<u>2,077,062</u>
Investment income:			
Net unrealized depreciation in market value of investments	(3,091,220)	(1,459,277)	(4,550,497)
Dividends	0	0	0
Interest	<u>17,927</u>	<u>0</u>	<u>17,927</u>
	<u>(3,073,293)</u>	<u>(1,459,277)</u>	<u>(4,532,570)</u>
Total Additions	<u>(1,467,200)</u>	<u>(988,308)</u>	<u>(2,455,508)</u>
Deductions from Net Assets			
Attributed To:			
Interest expense	0	131,006	131,006
Benefits paid to participants	1,652,932	0	1,652,932
Allocation of 872.20 shares of common stock of O'Neil & Associates, Inc. at fair value	<u>0</u>	<u>277,639</u>	<u>277,639</u>
	<u>1,652,932</u>	<u>408,645</u>	<u>2,061,577</u>
Change in Net Assets			
Available for Benefits	(3,120,132)	(1,396,953)	(4,517,085)
Net Assets Available for Benefits:			
Beginning of year	<u>17,000,935</u>	<u>(341,795)</u>	<u>16,659,140</u>
End of year	<u>\$ 13,880,803</u>	<u>\$ (1,738,748)</u>	<u>\$ 12,142,055</u>

The accompanying notes are an integral part of these statements.

O'Neil & Associates, Inc. Employee Stock Ownership Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2019

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
Additions to Net Assets			
Attributed To:			
Contributions:			
Employer contributions	\$ 2,561,989	\$ 470,969	\$ 3,032,958
Allocation of 872.20 shares of common stock of O'Neil & Associates, Inc. at fair value	374,924	0	374,924
	<u>2,936,913</u>	<u>470,969</u>	<u>3,407,882</u>
Investment income:			
Net unrealized depreciation in market value of investments	(6,569,263)	(3,415,396)	(9,984,659)
Dividends	551,655	0	551,655
Interest	50,866	0	50,866
	<u>(5,966,742)</u>	<u>(3,415,396)</u>	<u>(9,382,138)</u>
Total Additions	<u>(3,029,829)</u>	<u>(2,944,427)</u>	<u>(5,974,256)</u>
Deductions from Net Assets			
Attributed To:			
Interest expense	0	137,941	137,941
Benefits paid to participants	2,891,025	0	2,891,025
Allocation of 872.20 shares of common stock of O'Neil & Associates, Inc. at fair value	0	374,924	374,924
	<u>2,891,025</u>	<u>512,865</u>	<u>3,403,890</u>
Change in Net Assets			
Available for Benefits	<u>(5,920,854)</u>	<u>(3,457,292)</u>	<u>(9,378,146)</u>
Net Assets Available for Benefits:			
Beginning of year	<u>22,921,789</u>	<u>3,115,497</u>	<u>26,037,286</u>
End of year	<u>\$ 17,000,935</u>	<u>\$ (341,795)</u>	<u>\$ 16,659,140</u>

The accompanying notes are an integral part of these statements.

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

1. Description of the Plan

The following description of the O'Neil & Associates, Inc. Employee Stock Ownership Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General

O'Neil & Associates, Inc. (the "Company") established the O'Neil & Associates, Inc. Employee Stock Ownership Plan on January 1, 2004. The Plan is a stock bonus plan under Section 401(a) of the Internal Revenue Code of 1986, as amended (the Code), and is intended to be an employee stock ownership plan under Section 4975(e)(7) of the Code and regulations thereunder. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Trustee is an independent third-party institutional Trustee.

The Plan purchased Company common stock using the proceeds from a loan with the Company. The loan is to be repaid over a period of twenty years by fully deductible Company contributions to the trust fund. As the Plan makes each payment of principal, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. Shares vest fully upon allocation.

The loan is collateralized by the unallocated shares of common stock and is guaranteed by the Company. The lender has no rights against shares of common stock once they are allocated under the provisions of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2020 and 2019, and for the years ended December 31, 2020 and 2019, present separately the assets and liabilities and changes therein pertaining to:

1. the accounts of employees with vested rights in allocated common stock (Allocated) and
2. common stock not yet allocated to employees (Unallocated)

Eligibility

Employees of the Company are eligible to participate in the Plan after one year of service provided they worked at least 1,000 hours during such plan year and are 21 years of age. Participants who do not meet the eligibility requirements or are not employed on the last working day of a plan year are generally not eligible for an allocation of the Company's discretionary contribution for such year.

Contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. Employee contributions are not permitted.

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. Distributions are made in cash or, if a participant elects, in the form of Company common shares plus cash for any fractional share. The Company is required to immediately repurchase the distributed shares. Under the provisions of the Plan, the Company is obligated to repurchase participant shares which have been distributed under the terms of the Plan. During 2020 and 2019, shares of stock totaling 621.2151 and 2,667.8753, respectively, were recycled within the ESOP to generate funds for cash distributions.

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

1. Description of the Plan (Continued)

Administrative Expenses

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

Voting Rights

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

Participant Accounts and Forfeitures

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Employer discretionary contributions and Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year. For the year ended December 31, 2020, 44.2680 shares of stock and \$11,290 of cash were forfeited from nonvested accounts and reallocated to remaining participant accounts. For the year ended December 31, 2019, 40.5444 shares of stock and \$42,223 of cash were forfeited from nonvested accounts and reallocated to remaining participant accounts. Plan earnings are allocated to each participant's account in accordance with the provisions of the Plan.

Put Option

Under Federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Company can pay for the purchases with interest over a period of five years. The purpose of the put option is to ensure that participants have the ability to ultimately obtain cash.

Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on years of continuous service with the Company. A participant is 100 percent vested after 6 years of credited service.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move a portion of their investment in Company stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify shall be offered the opportunity to invest the diversified portion in (1) investment options other than investment in Company securities under the Plan or another qualified plan sponsored by the Company or (2) receive a cash distribution.

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

2. Summary of Significant Accounting Policies

Basis of Accounting

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Investment Valuation and Income Recognition

The common shares of the Company are valued annually at estimated fair value (See Note 7). Dividend income is accrued on the ex-dividend date. Purchases and sales of securities will be recorded on a trade-date basis. Realized gains and losses from securities transactions are reported on the average cost method. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefits are recorded when paid.

3. Tax Status

The IRS has determined and informed the Plan sponsor by a letter dated December 2, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

4. Employer Contributions

The Plan provides for employer matching contributions, which amounted to \$275,770 and \$279,016 for the years ended December 31, 2020 and 2019, respectively. These contributions are equal to 50% of the first 6% of eligible compensation that a participant contributes to the profit sharing and savings plan. The Plan also provides for employer discretionary contributions. The Company's Board of Directors elected to make a discretionary contribution of \$1,523,653 and \$2,753,942 for the years ended December 31, 2020 and 2019, respectively.

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

5. Administration of Plan Assets

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

Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loan payable, which will be reimbursed to the Trustee through contributions as determined by the Company.

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

6. Investments

The Plan's investments in Company stock at December 31, are as follows:

	<u>2020</u>		<u>2019</u>	
	<u>Allocated</u>	<u>Unallocated</u>	<u>Allocated</u>	<u>Unallocated</u>
Sponsor Company Common Shares:				
Number of Shares	<u>28,586.20</u>	<u>12,210.80</u>	<u>27,714.00</u>	<u>13,083.00</u>
Cost basis of stock	<u>\$ 7,867,686</u>	<u>\$ 3,360,738</u>	<u>\$ 7,627,633</u>	<u>\$ 3,600,791</u>
Market value of stock	<u>\$ 9,099,559</u>	<u>\$ 3,886,942</u>	<u>\$ 11,913,140</u>	<u>\$ 5,623,858</u>

7. 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 this accounting standard are described as follows:

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

7. Fair Value Measurements (Continued)

- Level 1 - Quoted prices in active markets that are accessible at the measurement date for identical or similar assets or liabilities.
- Level 2 - Observable inputs other than quoted prices included within Level 1. Inputs that are principally derived from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value measurement of the assets or liabilities. These include certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The ESOP Committee, under the supervision of the Company's Board of Directors and Stockholders, determines the fair value measurement policies and procedures in consultation with the Company's chief financial officer. Those policies and procedures are reassessed at least annually to determine if the current valuation techniques are still appropriate. At that time, the unobservable inputs used in the fair value measurements are evaluated and adjusted, as necessary, based on current market conditions and other third-party information.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value of measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies the Plan used for assets measured at fair value:

Common stock: Valued by an annual independent appraisal. This appraisal is based on a combination of market and income valuation methods consistent with prior years. The appraiser took into account historical and projected cash flow and net income, weighted average cost of capital, market comparables, and applicable discounts and premiums.

Money market accounts: Valued at the daily closing price as reported by the fund. The money market fund is an open-end mutual fund that is registered with the Securities and Exchange Commission. This fund is required to publish its daily net asset value (NAV) and to transact at that price. The money market is deemed to be actively traded.

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

7. Fair Value Measurements (Continued)

The following table presents fair value measurement information for the Plan's investments.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Totals</u>
December 31, 2020				
Common stock	\$ 0	\$ 0	\$ 12,986,501	\$ 12,986,501
Money market accounts	<u>3,505,474</u>	<u>0</u>	<u>0</u>	<u>3,505,474</u>
Total assets at fair value	<u>\$ 3,505,474</u>	<u>\$ 0</u>	<u>\$ 12,986,501</u>	<u>\$ 16,491,975</u>
December 31, 2019				
Common stock	\$ 0	\$ 0	\$ 17,536,998	\$ 17,536,998
Money market accounts	<u>3,233,581</u>	<u>0</u>	<u>0</u>	<u>3,233,581</u>
Total assets at fair value	<u>\$ 3,233,581</u>	<u>\$ 0</u>	<u>\$ 17,536,998</u>	<u>\$ 20,770,579</u>

The following is a description of the valuation methodologies used for assets measured at fair value. The Company common stock held by the Plan is reported at fair value based upon an appraisal. This appraisal was based upon a combination of the market and income valuation techniques as follows:

<u>Valuation Techniques</u>	<u>Unobservable Input</u>
Capitalized cash flow (Income)	Weighted-average cost of capital Long-term revenue growth Discount for lack of marketability
Discounted cash flow (Income)	Weighted-average cost of capital Long-term revenue growth Long-term operating profit margin Discount for lack of marketability

The valuation process involves the selection of an appraiser. Plan management accumulates the data for the appraiser from historical and projected financial information of the Company. The appraiser prepares a report of estimated per share value that a participant will receive upon distribution. Plan management reviews and approves the report based on the relevant information used in the appraisal.

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

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

7. Fair Value Measurements (Continued)

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets.

	<u>Common Stock</u>	
	<u>2020</u>	<u>2019</u>
Balance, beginning of year	\$ 17,536,998	\$ 27,521,657
Unrealized losses relating to instruments still held at the reporting date	(4,550,497)	(9,984,659)
Purchases, sales, issuances, and settlements (net)	0	0
Balance, end of year	<u>\$ 12,986,501</u>	<u>\$ 17,536,998</u>

8. Loan Payable

In 2015, the Plan entered into a \$7,588,140 term loan agreement with the Company. The proceeds of the loan were used to purchase the Company's common stock. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants when principal and interest payments are made. The number of shares released in any year is the number of shares held as collateral, multiplied by the ratio of the current year payments, divided by the total of this year's payments, plus all future years' principal and interest payments. This resulted in 872.20 shares being released and allocated for the plan years ended December 31, 2020 and 2019. The agreement provides for the loan to be repaid in annual installments over twenty years. The loan bears interest at the fixed rate of 2.19%. The estimated fair market value of the note payable as of December 31, 2020 and 2019 was \$5,625,690 and \$5,965,653, respectively as determined by using interest rates currently available for issuance of debt with similar terms, maturity dates and nonperformance risk.

Maturities of the loan payable for the five years succeeding December 31, 2020 and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2021	\$ 347,766
2022	355,382
2023	363,165
2024	370,845
2025	379,240
Thereafter	3,809,292
	<u>\$ 5,625,690</u>

9. Risks and Uncertainties

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

O'Neil & Associates, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2020 and 2019

10. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the ESOP Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund.

11. Party in Interest Transactions

The Plan invests in Company common stock. These are party-in-interest transactions. The Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

12. COVID-19 Outbreak

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Plan sponsor's financial condition, liquidity, workforce, and future results of operations as well as the effects on the Plan. Management is actively monitoring the global situation on its Plan sponsor's financial condition, liquidity, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Plan sponsor is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2021.

13. Subsequent Events

Effective January 1, 2021, the employer matching contributions were discontinued into the ESOP and are now contributed to the profit sharing and savings plan.

Management evaluated the activity of the Plan through October 14, 2021 (the date the financial statements were made available to be issued) and concluded that no other subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

O'Neil & Associates, Inc. Employee Stock Ownership Plan**Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes at End of Year****E.I.N. 31-0629068****Plan# 002****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
*	O'Neil & Associates, Inc.	40,797 Shares Class A Stock	\$ 11,228,424	\$ 12,986,501
	Federated Prime Value Obligation	Money Market	3,505,474	3,505,474
				<u>\$ 16,491,975</u>

* party in interest



In this ever-changing business environment, Flagel Huber Flagel goes beyond numbers and deadlines, returning the trust and confidence our clients place in us, with a caring partner relationship. We are committed to a collaborative search for ideas and solutions that help business organizations thrive and families build and preserve wealth. Our commitment is simple; financial and operational *insight*, service *integrity*, and problem solving *innovation*.

www.fhf-cpa.com

3400 South Dixie Drive, Dayton, OH 45439 | 937.299.3400
9135 Governors Way, Cincinnati, OH 45249 | 513.774.0300

O'Neil & Associates, Inc. Employee Stock Ownership Plan**Schedule H, Line 4i - Schedule of Assets Held for Investment Purposes at End of Year****E.I.N. 31-0629068****Plan# 002****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
*	O'Neil & Associates, Inc.	40,797 Shares Class A Stock	\$ 11,228,424	\$ 12,986,501
	Federated Prime Value Obligation	Money Market	3,505,474	3,505,474
				<u>\$ 16,491,975</u>

* party in interest