

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2020</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>	
A This return/report is for:	☐ 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>SOMERSET TIRE SERVICE 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>01/01/1984</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/1984</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/1984</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>SOMERSET TIRE SERVICE, INC.</u> <u>1 STS DRIVE</u> <u>BUILDING NO. 1</u> <u>BRIDGEWATER, NJ 08807-5936</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>22-1617798</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>732-356-8500</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>811190</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>22-1617798</u>	2c Plan Sponsor's telephone number <u>732-356-8500</u>	2d Business code (see instructions) <u>811190</u>	
2b Employer Identification Number (EIN) <u>22-1617798</u>					
2c Plan Sponsor's telephone number <u>732-356-8500</u>					
2d Business code (see instructions) <u>811190</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	CAROLYN SCHIAVONE
	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 SOMERSET TIRE SERVICE, INC. 1 STS DRIVE BUILDING NO. 1 BRIDGEWATER, NJ 08807-5936	3b Administrator's EIN 22-1617798 3c Administrator's telephone number 732-356-8500
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 1386
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 1048 6a(2) 1048 6b 0 6c 335 6d 1383 6e 3 6f 1386 6g 1386 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: 2P 2I 2Q b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2020
		This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan SOMERSET TIRE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 SOMERSET TIRE SERVICE, INC.	D Employer Identification Number (EIN) 22-1617798	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

MENKE & ASSOCIATES, INC.

ONE KAISER PLAZA, SUITE 505
OAKLAND, CA 94612

(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?
13	NONE	37969	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

BANK OF AMERICA

06-6379101

(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?
28	NONE	11209	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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2020 This Form is Open to Public Inspection
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>		
A Name of plan <u>SOMERSET TIRE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SOMERSET TIRE SERVICE, INC.</u>	D Employer Identification Number (EIN) <u>22-1617798</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)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	4546	4979
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	96767	7021966
(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)	297919	371838
(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)	1980135	2030243
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	263053	256815

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(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	2642420	9685841

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j	1516	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1516	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	2640904	9685841
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(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)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	26815	
(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)	10625	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		37440
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)	5306	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	4714	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		10020
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	8602443	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	8658706	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-56263
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	207234	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		207234

		(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		6901348
d Total income. Add all income amounts in column (b) and enter total.....	2d		7099779

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	5662	
(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)		5662
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	37969	
(3) Investment advisory and management fees	2i(3)	11211	
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		49180
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		54842

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		7044937
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: WITHUM, SMITH & BROWN

(2) EIN: 22-2027092

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		2000000
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.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☒ Yes ☐ No If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c 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 SOMERSET TIRE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 SOMERSET TIRE SERVICE, INC.		D Employer Identification Number (EIN) 22-1617798
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): 22-3321556		
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 _____

**SOMERSET TIRE SERVICE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
Financial Statements
December 31, 2020 and 2019 - Liquidation Basis
With Independent Auditor's Report**

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Table of Contents
December 31, 2020 and 2019

Independent Auditor's Report	1-2
Financial Statements	
Statements of Net Assets Available for Plan Benefits – Liquidation Basis	3
Statements of Changes in Net Assets Available for Plan Benefits – Liquidation Basis	4
Notes to Financial Statements – Liquidation Basis	5-10
Supplementary Information	
Schedule of Assets Held for Investment Purposes – Schedule H – Line 4i	11-12
Schedule of 5% Reportable Transactions – Schedule H – Line 4j	13-14

INDEPENDENT AUDITOR'S REPORT

Somerset Tire Service, Inc.,
The Employee Stock Ownership Plan Committee:

We have audited the accompanying financial statements of Somerset Tire Service, Inc. Employee Stock Ownership Plan (the "Plan"), which comprise the statements of net assets available for plan benefits – liquidation basis as of December 31, 2020 and 2019, and the related statements of changes in net assets available for plan benefits – liquidation basis for the years then ended, and the related notes to the financial statements – liquidation basis.

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 from 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 entity'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 purposes of expressing an opinion on the effectiveness of the entity'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 in liquidation of Somerset Tire Service, Inc. Employee Stock Ownership Plan as of December 31, 2020 and 2019, and the changes in net assets in liquidation for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Accounting

As discussed in Note 1 to the financial statements, due to the sale of the Plan's sponsor, Somerset Tire Service, Inc. (the "Company"), the Plan ceased to be an employee stock ownership plan and became a profit-sharing plan. Subsequent to the conversion, as discussed in Note 6 to the financial statements, the Company made a decision to terminate the Plan, with final distributions expected to occur sometime prior to December 31, 2021. Accordingly, the Plan presents its financial statements on the liquidation basis of accounting. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assets held for investment purposes and 5% reportable transactions, as of and for the year ended December 31, 2020, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such supplementary information is 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 audits 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 blue ink that reads 'Withum Smith & Brown, PC'.

October 11, 2021

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Statements of Net Assets Available for Plan Benefits – Liquidation Basis
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Assets		
Investments		
Cash and cash equivalents	\$ 7,021,966	\$ 96,767
Other investments	<u>2,658,896</u>	<u>2,541,107</u>
Total investments	<u>9,680,862</u>	<u>2,637,874</u>
Receivables		
Accrued interest receivable	4,732	4,378
Accrued dividend receivable	<u>247</u>	<u>168</u>
Total receivables	<u>4,979</u>	<u>4,546</u>
Total assets	<u>9,685,841</u>	<u>2,642,420</u>
Liabilities		
Payable for pending trades, net	<u>-</u>	<u>1,516</u>
Total liabilities	<u>-</u>	<u>1,516</u>
Net assets available for plan benefits	<u>\$ 9,685,841</u>	<u>\$ 2,640,904</u>

The Notes to Financial Statements – liquidation basis is an integral part of these statements.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Statements of Changes in Net Assets Available for Plan Benefits – Liquidation Basis
Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Additions to net assets		
Net appreciation in fair value of investments	\$ 7,052,319	\$ 333,403
Interest income	37,440	71,621
Dividends and capital gain distributions	<u>10,020</u>	<u>26,085</u>
Total additions	<u>7,099,779</u>	<u>431,109</u>
 Deductions from net assets		
Distributions to participants	5,662	6,018,954
Administrative expenses	<u>49,180</u>	<u>49,436</u>
Total deductions	<u>54,842</u>	<u>6,068,390</u>
 Net change in net assets	 7,044,937	 (5,637,281)
 Net assets available for plan benefits		
Beginning of year	<u>2,640,904</u>	<u>8,278,185</u>
 End of year	 <u>\$ 9,685,841</u>	 <u>\$ 2,640,904</u>

The Notes to Financial Statements – liquidation basis is an integral part of these statements.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Notes to Financial Statements – Liquidation Basis
December 31, 2020 and 2019

1. DESCRIPTION OF PLAN AND BASIS OF PRESENTATION

The following description of the Somerset Tire Service, Inc. Employee Stock Ownership Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General – Prior to Stock Sale

The Company established the Plan effective January 1, 1984. The Plan operated as a leveraged employee stock ownership plan (“ESOP”) and was designed to comply with Section 4975(e)(7), and the regulations thereunder, of the Internal Revenue Code of 1986, as amended (“Code”) and was subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended. The Plan was administered by an ESOP committee appointed by the Board of Directors of the Company.

Stock Sale

On June 26, 2015, Somerset Tire Service, Inc. (the “Company”) entered into a stock purchase agreement pursuant to which the Plan’s Trustee sold, conveyed, and transferred all of the outstanding shares of capital stock of the Company to Mavis Tire Supply, LLC (the “Purchaser”), in exchange for consideration as provided for in the stock purchase agreement. As a result of the sale, the Plan ceased to be an employee stock ownership plan, effective immediately after the closing date, and the Plan began operating solely as a profit-sharing plan. Once all assets are distributed from the Plan, the Plan is expected to terminate in its entirety (see Note 6).

Each participant who was a participant in the Plan as of the closing date, June 30, 2015, shall remain a participant in the Plan. Each individual who was not a participant in the Plan on the closing date shall be ineligible for the Plan, and no new participants shall be permitted under the Plan as of the closing date. Individual accounts will be maintained for all participants and for all former participants who still have an interest in the Plan. Each participant’s account will include non-participant directed investments and be credited with Plan earnings and reduced by withdrawals and losses on investments.

Employer Contributions

Prior to the conversion to a profit-sharing plan, the Plan provided for discretionary employer contributions to the trust fund each plan year in a discretionary amount does not exceed the maximum amount deductible from the employer’s income for such year for federal income tax purposes under the applicable sections of the Internal Revenue Code. Effective as of the date of conversion, discretionary employer contributions into the Plan were no longer permitted.

Participant Accounts

Each participant’s account has been credited with the allocations of (a) the Company’s contribution and (b) Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. Participants do not direct the allocation of funds into the investments of the plan. A participant’s account is reduced by withdrawal and losses on investments. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

Vesting

As of the closing date of the sale, all non-vested funds were allocated to the forfeiture accounts. After the conversion to a profit-sharing plan, all remaining account balances were deemed to be 100% vested. As of December 31, 2020 and 2019, there was no balance in the forfeiture account.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Notes to Financial Statements – Liquidation Basis
December 31, 2020 and 2019

Distributions and Withdrawals

No distributions from the Plan would 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 and its participating subsidiaries. In the event a participant terminates employment for reasons other than death, disability or retirement, the participant's vested plan benefits, if less than \$15,000, would be paid to eligible terminated participants as a lump sum distribution. Any participant account balance over \$15,000 would be paid in installments over a period of five years.

Notes Receivable from Participants

Participants in the Plan have no option to borrow from their vested interest in their fund accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the liquidation basis as promulgated by accounting principles generally accepted in the United States of America.

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 those estimates.

Investment Valuation and Income Recognition

Investments are reported at their liquidation basis, which approximates fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Cash and cash equivalents include cash in the bank as well as all certificates of deposit and U.S. Treasury bills and government obligations. At times, such investments may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits.

Other investments consist of common stocks, municipal bonds, and mutual funds.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized gains and losses from security transactions are reported based on the average cost of the underlying securities.

Payment of Benefits

Benefits are recorded when paid.

Administrative Services

Except for investment expenses, custodian and certain other administrative fees, all administrative expenses are paid by the Company. Participants are charged a distribution fee for partial or full distributions. Other investment related fees have been offset with investment income and are not readily determinable.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Notes to Financial Statements – Liquidation Basis
December 31, 2020 and 2019

3. INVESTMENTS

The Plan's investments, at December 31, 2020 and 2019, are presented in the following table:

	<u>2020</u>	<u>2019</u>
Cash and money market funds		
Cost	\$ 96,788	\$ 66,572
Quoted market value	96,788	66,572
U.S. Treasury bills and Government obligations		
Cost	6,925,178	30,195
Quoted market value	6,925,178	30,195
Common stocks		
Cost	218,053	215,043
Quoted market value	371,838	297,918
Municipal bonds		
Cost	258,153	258,153
Quoted market value	256,815	263,053
Mutual funds - fixed income		
Cost	580,465	460,527
Quoted market value	620,889	463,829
Mutual funds - equity		
Cost	334,951	99,951
Quoted market value	406,224	110,690
Mutual funds - balanced		
Cost	-	134,503
Quoted market value	-	120,997
Mutual funds - other		
Cost	919,032	1,231,919
Quoted market value	<u>1,003,130</u>	<u>1,284,620</u>
Total		
Cost	<u>\$ 9,332,620</u>	<u>\$ 2,496,863</u>
Investments at fair value	<u>\$ 9,680,862</u>	<u>\$ 2,637,874</u>

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Notes to Financial Statements – Liquidation Basis
December 31, 2020 and 2019

4. FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board (“FASB”) established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value. There have been no changes in the methodologies used for the periods presented in these financial statements.

Certificates of deposit are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer.

Money market funds, U.S Treasury bills and government securities, mutual funds, common stocks, and preferred stocks are valued at the closing price reported on the active markets on which the securities are traded.

Municipal bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

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

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Notes to Financial Statements – Liquidation Basis
December 31, 2020 and 2019

The following summarizes assets which have been accounted for at fair value on a recurring basis as of December 31, 2020 and 2019:

		Basis for Valuation		
	Total	Level 1	Level 2	Level 3
Plan Year Ended December 31, 2020				
Cash and money market funds	\$ 96,788	\$ 96,788	\$ -	\$ -
U.S. Treasury bills and government obligations	6,925,178	6,925,178	-	-
Common stocks	371,838	371,838	-	-
Municipal bonds	256,815	-	256,815	-
Mutual funds	2,030,243	2,030,243	-	-
Investments at fair value	<u>\$ 9,680,862</u>	<u>\$ 9,424,047</u>	<u>\$ 256,815</u>	<u>\$ -</u>
Plan Year Ended December 31, 2019				
Cash and money market funds	\$ 66,572	\$ 66,572	\$ -	\$ -
U.S. Treasury bills and government obligations	30,195	30,195	-	-
Common stocks	297,918	297,918	-	-
Municipal bonds	263,053	-	263,053	-
Mutual funds	1,980,136	1,980,136	-	-
Investments at fair value	<u>\$ 2,637,874</u>	<u>\$ 2,374,821</u>	<u>\$ 263,053</u>	<u>\$ -</u>

Gains and losses (realized and unrealized) are included in changes in net assets available for plan benefits – liquidation basis for the years ended December 31, 2020 and 2019 and are reported in net appreciation in fair value of investments.

5. PARTIES-IN-INTEREST

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

Certain investments held by the Plan in 2020 and 2019 were managed by Bank of America, N.A., the Custodian of the Plan. Therefore, these transactions qualify as party-in-interest transactions. Fees paid to the Custodian amounted to \$11,211 and \$13,177 for the years ended December 31, 2020 and 2019, respectively.

6. PLAN TERMINATION

The Company had the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

Subsequent to the stock sale, the Company made a decision to terminate the Plan. Due to contracted escrow arrangements, the Plan distributed its assets through a series of distributions, with the final distribution expected to occur sometime prior to December 31, 2021.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Notes to Financial Statements – Liquidation Basis
December 31, 2020 and 2019

7. INCOME TAX STATUS

The Plan obtained its latest determination letter on October 5, 2016, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable sections of the Code.

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 applicable taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. In addition, there have been no tax related interest or penalties for periods presented in these financial statements.

8. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. All investment securities are exposed to some type of risk, including, but not limited to, exposure to changes in interest rates, market fluctuations, economic conditions, and currency devaluation. Due to the level of risk associated with certain investment securities, it is possible that changes in near term risk factors could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for plan benefits.

The 2019 novel coronavirus (or "COVID-19") has adversely affected and may continue to adversely affect economic activity globally, nationally, and locally. Following the COVID-19 outbreak in March 2020, the values of investment securities have experienced significant volatility. These economic and market conditions and other effects of the COVID-19 outbreak may continue to cause volatility. The extent of the adverse impact of the COVID-19 outbreak on the Plan participants' account balances cannot be predicted at this time.

9. RELATED PARTY TRANSACTIONS

In December 2020, as a result of final adjustments made to the stock purchase price to account for the settlement of previous balances due to the Company, \$6,888,463 of additional funds related to the sale of the Company were deposited into the Plan and included in net appreciation in fair value of investments. At that time, each participant in the plan was credited with a portion of those proceeds in accordance with the stock purchase agreement.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 11, 2021, which is the date the financial statements were available to be issued. Based on this evaluation, the Plan has determined that no subsequent events have occurred which require recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Schedule of Assets Held for Investment Purposes – Schedule H – Line 4i
EID #22-1617798, 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) Value at 12/31/2020
		Bank of America Temporary Overnight		
*	Federated Treasury Obligation Fund	Deposit	\$ 6,925,178	\$ 6,925,178
	Fidelity Government Portfolio	Cash and Money Market Reserves	96,788	96,788
	Conestoga	Small Cap Fund (613)	33,265	48,192
	Prologis Inc.	REITS (38)	2,492	3,787
	Crown Castle Intl Corp	REITS (5)	799	796
	Equinix Inc.	REITS (3)	2,070	2,143
	Goldman Sachs	Absolute Return Tracker Fund (18,286)	160,000	183,406
	IShares	Core U.S Aggregate Bond ETF (3,924)	433,285	463,778
	IShares	Russell Mid-Cap ETF (2,135)	111,216	146,354
	IShares	Russell 2000 ETF (227)	35,060	44,506
	MFS Research	International Fund (3,762)	66,686	82,689
	Neuberger Berman	Long Short Fund (5,535)	75,000	91,937
	SPDR	S&P Biotech EFT (46)	4,311	6,476
	Ohio State	Municipal Bond with an interest rate of 4.25% maturing on 09/01/21	258,153	256,815
	SPDR Bloomberg Barclays	1-3 Month (3,010)	275,906	275,475
	Vanguard	FTSE Developed Markets (1,267)	53,893	59,815
	Western Asset	Core Bd Port CL IS (45,420)	580,465	620,889
	Abbott Labs	Common Stock (84)	5,788	9,196
	Activision Blizzard Inc.	Common Stock (29)	1,794	2,692
	Adobe Inc.	Common Stock (15)	2,732	7,501
	Alphabet Inc.	Common Stock (5)	5,888	8,763
	Amazon Com Inc.	Common Stock (5)	6,270	16,285
	American Water WKS Co. Inc.	Common Stock (26)	2,328	3,990
	Apple Inc.	Common Stock (206)	6,425	27,334
	ASML Holdings NV	Common Stock (4)	1,882	1,951
	Baxter Intl Inc.	Common Stock (16)	1,433	1,284
	Berkshire Hathaway Inc.	Common Stock (36)	6,620	8,347
	Blackrock Inc.	Common Stock (7)	1,787	5,051
	Boston Scientific Corp	Common Stock (67)	1,888	2,409
	Broadcom Inc.	Common Stock (13)	3,532	5,692
	Carmax Inc.	Common Stock (51)	4,874	4,817
	Caterpillar Inc.	Common Stock (27)	3,876	4,915
	Chevron Corp.	Common Stock (101)	10,043	8,529
	Cisco Systems Inc.	Common Stock (75)	2,694	3,356
	Citigroup Inc.	Common Stock (111)	7,819	6,844
	Coca Cola Co.	Common Stock (115)	5,045	6,307
	Comcast Corp	Common Stock (98)	4,018	5,135

See Independent Auditor's Report.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Schedule of Assets Held for Investment Purposes – Schedule H – Line 4i
EID #22-1617798, 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) Value at 12/31/2020
	Costco Wholesale Corp.	Common Stock (15)	2,562	5,652
	Deere & Co.	Common Stock (14)	1,879	3,767
	Disney Walt Co	Common Stock (19)	1,961	3,442
	Dupont De Nemours Inc.	Common Stock (50)	3,895	3,556
	Eaton Corp PLC	Common Stock (53)	4,232	6,367
	Electronic Arts Inc	Common Stock (14)	1,497	2,010
	Facebook Inc.	Common Stock (11)	1,972	3,005
	Fortive Corp.	Common Stock (35)	2,029	2,479
	General MTRS Co	Common Stock (78)	2,644	3,248
	Hill Rom Hldgs Inc.	Common Stock (50)	5,073	4,899
	Home Depot Inc.	Common Stock (39)	6,576	10,359
	Honeywell Intl. Inc.	Common Stock (25)	1,487	5,318
	Idexx Labs Inc	Common Stock (15)	3,761	7,498
	Illinois Tool Wks Inc.	Common Stock (11)	1,887	2,243
	Intercontinental Exchange Inc	Common Stock (35)	2,690	4,035
	JP Morgan Chase & Co	Common Stock (64)	4,032	8,132
	Johnson & Johnson	Common Stock (27)	1,832	4,249
	L3Harris Technologies Inc.	Common Stock (16)	2,827	3,024
	Lyondellbasell Industries NV	Common Stock (24)	2,232	2,200
	Marvell Technology Group LTD	Common Stock (91)	2,128	4,326
	McDonald's Corp.	Common Stock (16)	1,436	3,433
	Microsoft Corp.	Common Stock (96)	8,854	21,352
	Mondelez Intl. Inc.	Common Stock (100)	3,574	5,847
	Morgan Stanley	Common Stock (126)	5,949	8,635
	Nextera Energy Inc.	Common Stock (24)	1,727	1,852
	Nike Inc.	Common Stock (27)	1,919	3,820
	Nvidia Corp.	Common Stock (15)	3,008	7,833
	Palo Alto Networks Inc.	Common Stock (17)	2,407	6,042
	Paypal Holdings inc.	Common Stock (35)	2,724	8,197
	Repligen Corp	Common Stock (46)	4,370	8,815
	Roche Holding LTD	Common Stock (57)	1,828	2,491
	Salesforce Com. Inc.	Common Stock (34)	3,640	7,566
	Shopify Inc.	Common Stock (3)	1,108	3,396
	Target Corp.	Common Stock (50)	3,226	8,827
	Tencent Holdings LTD	Common Stock (106)	5,145	7,710
	Teladoc Health Inc.	Common Stock (28)	1,165	5,599
	Truist Finl Corp	Common Stock (46)	2,496	2,205
	Union PAC Corp.	Common Stock (19)	2,206	3,956
	United Parcel SVC Inc.	Common Stock (17)	2,910	2,863
	Unitedhealth Group Inc.	Common Stock (6)	2,015	2,104
	Verizon Communication Inc.	Common Stock (82)	4,334	4,818
	Visa Inc.	Common Stock (51)	5,647	11,155
	Vulcan Materials Co.	Common Stock (21)	2,433	3,115
				<u>\$ 9,680,862</u>

See Independent Auditor's Report.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Schedule of 5% Reportable Transactions – Schedule H – Line 4j
EID #22-1617798, Plan #002
Year Ended December 31, 2020

(a) Identity of Party	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on the Transaction Date	(i) Net Gain (Loss)
<i>Single transactions</i>						
Federated Treasury Obligation Fund	Treasury obligations					
	6,888,463 shares	\$ 6,888,463	N/A	\$ 6,888,463	\$ 6,888,463	N/A
Bank of America *	Treasury obligations					
	6,888,463 shares	\$ 6,888,463	N/A	\$ 6,888,463	\$ 6,888,463	N/A
	6,888,463 shares	N/A	\$ 6,888,463	\$ 6,888,463	\$ 6,888,463	\$ -
Fidelity Government Portfolio	Money market					
	298,339 shares	\$ 298,339	N/A	\$ 298,339	\$ 298,339	N/A
	262,615 shares	N/A	\$ 262,615	\$ 262,615	\$ 262,615	\$ -
Goldman Sachs	Absolute Return Tracker Fund - Mutual fund					
	18,286 shares	\$ 160,000	N/A	\$ 160,000	\$ 160,000	N/A
Ishares	Core US Aggregate - ETF					
	1,298 shares	\$ 148,752	N/A	\$ 148,752	\$ 148,752	N/A
Ishares	MBS - ETF					
	2,255 shares	N/A	\$ 246,419	\$ 244,630	\$ 246,419	\$ 1,789
Metro West	T/R BD CL - ETF					
	31,476 shares	N/A	\$ 343,092	\$ 338,306	\$ 343,092	\$ 4,786
SPDR Bloomberg Barclays	Short Term Corp BD - ETF					
	7,039 shares	N/A	\$ 209,722	\$ 215,180	\$ 209,722	\$ (5,458)
SPDR Bloomberg Barclays	1-3 Month T-Bill - ETF					
	3,010 shares	\$ 275,906	N/A	\$ 275,906	\$ 275,906	N/A
Vanguard	Intermediate-Term Corp Bond - ETF					
	3,289 shares	N/A	\$ 280,649	\$ 280,692	\$ 280,649	\$ (43)
Western Asset	Core BD Port CL IS - ETF					
	3,010 shares	\$ 580,465	N/A	\$ 580,465	\$ 580,465	N/A

* A party-in-interest as defined by ERISA.

See Independent Auditor's Report.

Somerset Tire Service, Inc. Employee Stock Ownership Plan
Schedule of 5% Reportable Transactions – Schedule H – Line 4j
EID #22-1617798, Plan #002
Year Ended December 31, 2020

(a) Identity of Party	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on the Transaction Date	(i) Net Gain (Loss)
<i>Series of transactions in same security</i>						
Federated Treasury Obligation Fund	Treasury obligations (14 purchases)	\$ 6,901,145	N/A	\$ 6,901,145	\$ 6,901,145	N/A
Bank of America *	Temporary Overnight Deposit (2 purchases) (2 sales)	\$ 6,900,994 N/A	N/A \$ 6,900,994	\$ 6,900,994 \$ 6,900,994	\$ 6,900,994 \$ 6,900,994	N/A -
Fidelity Government Portfolio	Money Market (170 purchases) (17 sales)	\$ 372,307 N/A	N/A \$ 340,338	\$ 372,307 \$ 340,338	\$ 372,307 \$ 340,338	N/A -

* A party-in-interest as defined by ERISA.

See Independent Auditor's Report.

Schedule H, Line 4j
Schedule of Reportable Transactions

Name of Plan:▶ SOMERSET TIRE SERVICE EMPLOYEE STOCK OWNERSHIP PLAN

Employer Identification Number (EIN):▶ 22-1617798

Three-digit plan number: ► 002

For the plan year beginning/ending: ► 01-01-20/12-31-20

[illegible]

Name of Plan:

Employer Identification Number:► 22-1617798

For plan year (beginning/ending):► 01-01-20/12-31-20

Plan number:► 002

[illegible]