Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2020

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
ADAM BROS. FARMING, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2020

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)
ADAM BROS. FARMING, INC.

2101 SINTON ROAD
SANTA MARIA, CA 93458

2b Employer Identification Number (EIN) 77-0363379

2c Plan Sponsor's telephone number 805-925-0339

2d Business code (see instructions) 111900

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.	02/04/2022	WILLIAM C. PARKS
	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

3a Plan administrator's name and address ☐ Same as Plan Sponsor

WILLIAM C. PARKS

3000 LAVA RIDGE CT, STE 130
ROSEVILLE, CA 95661

3b Administrator's EIN: 46-3943208

3c Administrator's telephone number: 916-918-0316

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**	186
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)**	206
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	0
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	206
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	206
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	84
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

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

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** ☐ **R** (Retirement Plan Information)
- **(2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** ☒ **H** (Financial Information)
- **(2)** ☐ **I** (Financial Information – Small Plan)
- **(3)** ☐ ___ **A** (Insurance Information)
- **(4)** ☐ **C** (Service Provider Information)
- **(5)** ☐ **D** (DFE/Participating Plan Information)
- **(6)** ☐ **G** (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code_____

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
ADAM BROS. FARMING, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ADAM BROS. FARMING, INC.

D Employer Identification Number (EIN)
77-0363379

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)		8904
(2) Participant contributions	1b(2)		11250
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		116479
(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)**		
	(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**		136633
	Liabilities			
g	Benefit claims payable	**1g**		
h	Operating payables	**1h**		
i	Acquisition indebtedness	**1i**		
j	Other liabilities	**1j**		
k	Total liabilities (add all amounts in lines 1g through1j)	**1k**		
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	**1l**		136633

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)**	59388	
	(B) Participants	**2a(1)(B)**	73413	
	(C) Others (including rollovers)	**2a(1)(C)**	96	
	(2) Noncash contributions	**2a(2)**		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	**2a(3)**		132897
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	**2b(1)(A)**		
	(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)**		
	(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)**		
	(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)**		
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	**2b(5)(A)**		
	(B) Other	**2b(5)(B)**		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	**2b(5)(C)**		

		(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)		3736
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		136633

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(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)		
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)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		136633
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: GLENN BURDETTE **(2)** EIN: 95-2772601

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	

			Yes	No	Amount
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		13650
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	**4n**			

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 _____.

Adam Bros. Farming, Inc. 401(k) Plan

Financial Statements

Year Ended December 31, 2020

Adam Bros. Farming, Inc. 401(k) Plan
Employee Savings Plan
Year Ended December 31, 2020

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GLENN BURDETTE
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Trustees of
Adam Bros. Farming, Inc. 401(k) Plan
Santa Maria, California

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Adam Bros. Farming, Inc. 401(k) Plan (the Plan), which comprise the statement of net assets available for Plan benefits as of December 31, 2020, and the related statements of changes in net assets available for Plan benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by American Funds, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplementary information. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2020 that the information provided to the Plan administrator by the trustee is complete and accurate.

SAN LUIS OBISPO
1150 Palm Street
San Luis Obispo, CA 93401
p 805 544 1441
f 805 544 4351

PASO ROBLES
102 South Vine Street, Ste. A
Paso Robles, CA 93446
p 805 237 3995
f 805 239 9332

SANTA MARIA
2222 South Broadway, Ste. A
Santa Maria, CA 93454
p 805 922 4010
f 805 922 4286

GLENNBURDETTE.COM

Disclaimer of Opinion

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

Other Matter

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

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

The form and content of the information included in the financial statements and supplementary schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Glenn Burdette Attest Corporation

Glenn Burdette Attest Corporation
San Luis Obispo, California

January 12, 2022

Adam Bros. Farming, Inc. 401(k) Plan

Statement of Net Assets Available for Plan Benefits

December 31, 2020

Assets	
Investments at fair value:	
Mutual funds	$ 116,383
Total investments	116,383
Receivables:	
Employer contribution receivable	8,904
Employee contributions receivable	11,250
Total receivables	20,154
Net assets available for Plan benefits	$ 136,537

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

Adam Bros. Farming, Inc. 401(k) Plan

Statement of Changes in Net Assets Available for Plan Benefits

Year Ended December 31, 2020

Additions to net assets attributed to:		
Contributions:		
Employer	$	59,388
Employee		73,414
Net appreciation in fair value of investments		3,735
Total additions		136,537
Net increase		136,537
Net assets available for Plan benefits:		
Beginning of year		-
End of year	$	136,537

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

Adam Bros. Farming, Inc. 401(k) Plan
Notes to Financial Statements
December 31, 2020

Note 1: Description of Plan

The following description of Adam Bros. Farming, Inc. (the Plan Sponsor) 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan was established effective January 1, 2020 and is a type of defined contribution plan under which each participant has a specific account balance. The Plan covers all employees sponsored by Adam Bros. Farming, Inc. who have attained the age twenty-one and meet the service requirement of one year. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan Trustees are responsible for oversight of the Plan and determine the appropriateness of the Plan's investment offerings and monitor investment performance.

Contributions

Participants may contribute to the Plan through salary reductions up to 100% of pretax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contributions plans as a rollover contribution. Participants direct the investment of their contributions into various investment options offered by the Plan.

The Company, in order to maintain its safe harbor status, has elected to match the participants' contributions up to a specified percentage (100% of deferrals that do not exceed 3% of compensation plus 50% of deferrals between 3% and 5% of compensation). For the year ended December 31, 2020, total matching contributions were $59,388.

Contributions, by the employee and employer, are subject to certain Internal Revenue Service (IRS) limitations.

Participant Accounts

Each participant's account is credited with the participant's contributions via salary reductions and 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. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting and Forfeitures

Participants are immediately 100% vested in their voluntary contributions plus actual earnings thereon. Vesting in the employer's matching contribution plus earnings thereon is based on years of continuous service. A participant is 100% vested in the Plan Sponsor's matching contribution after six years of service. All years of service are counted except for years of service with less than 1,000 hours.

Note 1: Description of Plan (Continued)

Forfeitures of matching contributions are used to reduce Plan administrative expenses or reduce employer matching contributions. During the year ended December 31, 2020, no forfeitures were used to pay administrative costs or to reduce employer matching contributions. At December 31, 2020, there was no forfeiture balance in the Plan.

Payment of Benefits

Benefit payments will commence upon termination of service unless elected otherwise by the participant. Benefits may be paid in one of the following forms of payment, or in a combination: (1) single lump sum or (2) installments over a period not to exceed the participant or participant's beneficiary's life expectancy, or (3) any form acceptable to the participant and the Plan administrator.

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Accordingly, actual results could differ from those estimates.

Fair Value Measurement and Income Recognition

Fair Value Measurements and Disclosures Topic of the Financial Accounting Standards Board Accounting Standards Codification (the Topic), establishes 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. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The Topic also established a three-tier hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

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.

Note 2: Summary of Significant Accounting Policies

Level 2: Inputs to the valuation methodology include:

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

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

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

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

The following are descriptions of the valuation methodologies used for assets measured at fair value.

Registered Investment Companies (Mutual Funds): Investments in registered investment companies (mutual funds) are valued at the daily closing price as reported by the fund. Money market funds held by the Plan are open-ended funds that are registered with the Security Exchange Commission. These funds are required to publish their daily net asset value and transact at that price. The funds held by the Plan are deemed to be actively traded.

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

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, while 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.

Note 2: Summary of Significant Accounting Policies (Continued)

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

	Level 1	Level 2	Level 3	Total
Equity securities:				
Mutual funds:	$ 116,383	$	$	$ 116,383
Total investments at fair value	$ 116,383	$ -	$ -	$ 116,383

Payment of Benefits

Benefits are recorded when paid.

Plan Administration Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Plan Sponsor. Expenses that are paid by the Plan Sponsor are excluded from these financial statements. Investment related expenses are included in net appreciation (depreciation) of fair value of investments. For the year ended December 31, 2020, administrative expenses for the Plan were $5,030 and were paid by the Plan Sponsor.

Note 3: Information Prepared and Certified by Trustee

The Plan's asset information as of and for the year ended December 31, 2020, included in the accompanying financial statements and supplementary schedule was prepared or derived from information provided by the trustee and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the trustee that the information provided to the Plan Administrator from the trustee related to the following assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosures under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears through the financial statements and supplementary schedule.

The certification extends to the investment and investment income included in the statement of net assets available for Plan benefits and statement of changes in net assets available for Plan benefits.

During the year ended December 31, 2020, the Plan's investments (including investments bought, sold, and held during the year) appreciated in value by $3,735.

Note 4: Plan Termination

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

Note 5: Tax Status

The IRS has determined and informed the Company by a letter dated January 1, 2020, 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 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 American 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 Internal Revenue Service (IRS). The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 6: Related-Party Transactions

Certain plan investments are shares of mutual funds managed by Capital Group (American Funds). American Funds is the trustee as defined by the plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the plan for the investment management services are included in net appreciation in fair value investments.

Note 7: Risks and Uncertainties

The plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits. The current economic environment due to COVID-19 has increased the degree of uncertainty (see Note 8 for additional information).

Note 8: COVID-19 Pandemic

During the first quarter of 2020, the Word Health Organization declared COVID-19 to be a public health emergency. COVID-19 has led to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets in general. Due to the uncertainty surrounding the recent COVID-19 pandemic, the length and severity of the outbreak, and the volatility in the world investment markets, there is increasing uncertainty as to how these events will affect results of operations and the financial position of the Plan going forward.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is an emergency economic stimulus package in response to the coronavirus outbreak, which among other things contains numerous tax, emergency funding and other provisions that affect certain retirement plan provisions. In April 2020, the Plan authorized changing distribution provisions as allowed by the CARES Act. The below provisions only apply or are available to participants who have themselves been diagnosed with COVID-19 or a participant whose spouse or dependent is diagnosed with COVID-19 and/or a participant who experiences adverse financial consequences as a result of being quarantined, furloughed, laid off, having work hours reduced, or being unable to work due to lack of childcare due to COVID-19.

- Allowing for COVID-19 distribution of up to $100,000 of the participant's vested account balance. This withdrawal must be processed before December 31, 2020 and the participant will have 3 years from the day after the distribution was received to repay the amount into a qualified retirement plan.

The Plan continues to evaluate the impact of the CARES Act on its plan provisions, operations and cash flows.

Note 9: Subsequent Events

Events subsequent to December 31, 2020 have been evaluated through January 12, 2022, which is the date the financial statements were available to be issued. Management identified the following subsequent events that required disclosure.

The Plan was restated effective January 1, 2022. This mandatory cycle 3 restatement was to bring the plan into compliance with updated legislative and regulatory changes set forth in IRS Notice 2017-37. In addition, effective January 1, 2022, participants may modify elective deferrals at any time for bonuses.

Supplementary Information

Adam Bros. Farming, Inc. 401(k) Plan

E.I.N. 77-0363379

PIN 001

Schedule H, Line 4i - Schedule of Assets (Held at Year End)

December 31, 2020

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description	(e) Current Value
*	American Balanced Fund	Balanced	$ 713
*	American Funds 2020 Target Date	Target	1,612
*	American Funds 2025 Target Date	Target	6,126
*	American Funds 2030 Target Date	Target	21,856
*	American Funds 2035 Target Date	Target	5,009
*	American Funds 2040 Target Date	Target	12,478
*	American Funds 2045 Target Date	Target	7,017
*	American Funds 2050 Target Date	Target	6,875
*	American Funds 2055 Target Date	Target	5,800
*	American Funds 2060 Target Date	Target	1,949
*	American Mutual Fund	Growth and Income	4,293
	Capital Income Builder	Equity Income	207
	Growth and Income Portfolio	Growth and Income	8,224
	Inflation Linked Bond Fund	Bond	217
	Moderate Growth and Income Fund	Growth and Income	1,864
	New Perspective Fund	Growth	9,800
	New World Fund	Growth	1,848
	Preservation Portfolio	Bond	16
	The Bond Fund of America	Bond	1,096
	The Growth Fund of America	Growth	5,186
	The New Economy Fund	Growth	6,335
	Washington Mutual Investors Fund	Growth and Income	7,066
	World Bond Fund	Bond	17
	World Growth & Income	Growth and Income	779
			$ 116,383

* Party-in-interest

See independent auditors' report.

Adam Bros. Farming, Inc. 401(k) Plan

E.I.N. 77-0363379

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