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
LABCON, INC. 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 06/15/1995

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)
LABCON, INC.

3022 ROY ORR BLVD
GRAND PRAIRIE, TX 75050

2b Employer Identification Number (EIN) 75-2490564

2c Plan Sponsor's telephone number 972-263-3223

2d Business code (see instructions) 238900

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.	03/28/2022	VERONICA MORENO-MCLEMORE
	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 [X] Same as Plan Sponsor

3b Administrator's EIN

3c Administrator's telephone number

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	557
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)**	541
a(2) Total number of active participants at the end of the plan year	**6a(2)**	583
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	10
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	593
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	593
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	80
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:

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

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

9a Plan funding arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

(1)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[ ]	0	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[ ]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code_____

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

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

A Name of plan
LABCON, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
75-2490564

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	13302	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

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

FROST BANK

74-6036463

(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?
27	ADVISOR	6843	Yes [ ] No [X]	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(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.
PNR SEL MD CP GR Y - DST ASSET MAN 430 W 7TH STREET STE 219432 SUITE 200 KANSAS CITY, MO 64105	0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE 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
LABCON, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
75-2490564

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 reported on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1890	483857
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	69734	52399
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	3444999	3402759
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	3516623	3939015
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h	0	0
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	0
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	3516623	3939015

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)	0	
	(B) Participants	2a(1)(B)	272727	
	(C) Others (including rollovers)	2a(1)(C)	0	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		272727
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1175	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	4937	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		6112
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	83466	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		83466
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	**2b(6)**		0
(7) Net investment gain (loss) from pooled separate accounts	**2b(7)**		0
(8) Net investment gain (loss) from master trust investment accounts	**2b(8)**		0
(9) Net investment gain (loss) from 103-12 investment entities	**2b(9)**		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	**2b(10)**		343218
c Other income	**2c**		11244
d Total income. Add all **income** amounts in column (b) and enter total	**2d**		716767
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	**2e(1)**	215026	
(2) To insurance carriers for the provision of benefits	**2e(2)**	0	
(3) Other	**2e(3)**	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	**2e(4)**		215026
f Corrective distributions (see instructions)	**2f**		49718
g Certain deemed distributions of participant loans (see instructions)	**2g**		9446
h Interest expense	**2h**		0
i Administrative expenses: **(1)** Professional fees	**2i(1)**	0	
(2) Contract administrator fees	**2i(2)**	0	
(3) Investment advisory and management fees	**2i(3)**	40	
(4) Other	**2i(4)**	20145	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	**2i(5)**		20185
j Total expenses. Add all **expense** amounts in column (b) and enter total	**2j**		294375
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	**2k**		422392
l Transfers of assets:			
(1) To this plan	**2l(1)**		0
(2) From this plan	**2l(2)**		0

Part III Accountant's Opinion

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

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

(1) [ ] Unmodified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

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

(1) [X] DOL Regulation 2520.103-8 **(2)** [ ] DOL Regulation 2520.103-12(d) **(3)** [ ] neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: MILVERN RAY AND COMPANY **(2)** EIN: 75-1793612

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		8306

			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		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**	X		
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	**4n**	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2020

This Form is Open to Public Inspection.

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

A Name of plan
LABCON, INC. 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
75-2490564

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____

LABCON, INC. 401(K) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

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Milbern Ray and Company
L.L.P.
Certified Public Accountants

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MEMBER:
AMERICAN INSTITUTE
OF CERTIFIED PUBLIC
ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Participants of Labcon, Inc. 401(k) Plan
Grand Prairie, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Labcon, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits – modified cash basis as of December 31, 2020 and 2019, and the related modified cash basis statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 4, which was certified by Fidelity Management Trust Company and Transamerica Retirement Services, the custodians of the Plan at December 31, 2020 and 2019, respectively, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodians hold/held the Plan's investment assets and executes/executed investment transactions. The plan administrator has obtained



certifications from the custodians as of December 31, 2020 and 2019, and for the year ended December 31, 2020, that the information provided to the plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, 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.

Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of and for the year ended December 31, 2020 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are 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 these supplemental schedules.

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

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, 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.

September 16, 2021
Grapevine, Texas

M. Ibern Ray & Co

Milbern Ray and Company
L.L.P.
Certified Public Accountants

LABCON, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Investments		
Participant directed investments, at fair value		
Mutual funds	$ 3,402,759	$ 3,446,889
Interest-bearing cash	483,857	4,378
	3,886,616	3,451,267
Receivables:		
Notes receivable from participants	52,399	69,734
	52,399	69,734
Total assets	3,939,015	3,521,001
Liabilities:	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,939,015	$ 3,521,001

See independent auditor's report and accompanying notes, which are an integral part of these financial statements.

LABCON, INC. 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2020

ADDITIONS		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in investments carried at fair value	$	343,218
Interest and dividends		89,578
		432,796
Contributions:		
Participants' deferred compensation		272,727
		272,727
Other income		2,143
TOTAL ADDITIONS		707,666
DEDUCTIONS		
Deductions from net assets attributed to:		
Administrative expenses		15,462
Benefits paid to participants		274,190
TOTAL DEDUCTIONS		289,652
NET INCREASE		418,014
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		3,521,001
END OF YEAR	$	3,939,015

See independent auditor's report and accompanying notes, which are an integral part of these financial statements.

Note 1 DESCRIPTION OF PLAN

The following description of the Labcon, Inc. (Company) 401(k) Plan (Plan) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age 21 or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Board of Directors of the plan sponsor oversees governance of the Plan. The plan sponsor's chief financial officer determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the plan sponsor's Board of Directors.

Contributions

Each year, participants may contribute up to 100% of their annual compensation, as defined in the Plan. Contributions may be made on a tax-deferred or non tax-deferred (Roth) basis. 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 contribution plans. Except for the Roth contributions, after-tax contributions are not allowed. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options for participants. Contributions are automatically invested in a designated investment alternative until changed by the participant.

At its discretion, the Company may make matching, profit sharing or qualified nonelective contributions. If made, these contributions would be allocated to participants under the terms of the plan document. To date, there have been no employer contributions, except those needed to defray administrative expenses.

Contributions are subject to certain statutory limitations.

Participant accounts

Each participant's account is credited with the participant's contribution, and allocations of (a) the Company's matching contribution, if any, and (b) Plan investment earnings (losses), and are charged with an allocation of any administrative expenses paid by the Plan. 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.

Note 1 **DESCRIPTION OF PLAN** – (continued)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution, if any, is based on years of continuous service. As of December 31, 2020, all funds were fully vested.

Notes receivable from participants

Participants may receive a loan from their fund accounts for a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 6.5%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through weekly payroll deductions.

Loans range up to five years in length, although a longer repayment term may be permitted if the loan is for the purchase of a principal residence.

Payment of benefits

Benefits are paid as lump-sum distributions. Upon termination of service, participants with vested balances of $5,000 or less receive a distribution of their vested balances. If the participant does not affirmatively request that vested balances between $1,000 and $5,000 be rolled directly into an eligible retirement plan or paid to them, net of tax withholding, an individual retirement account is created for them and the balance is rolled into it. Otherwise, participants (or their beneficiaries) are eligible to receive benefits upon termination of service due to death, disability or retirement. In-service distributions are available to participants when they attain age 59.5. Rollover contributions and the accumulated earnings thereon may be withdrawn at any time.

During 2020, the Plan implemented the distribution provision of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act that was signed into law on March 27, 2020. A CARES Act distribution allows the Plan's participants to take a COVID-19 related distribution up to $100,000 from the Plan during 2020. Written amendments to the Plan to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

Forfeited accounts

Forfeitures were not material in 2020.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

Effective January 1, 2020 the Plan changed its basis of accounting from accounting principles generally accepted in the United States of America to the modified cash basis of accounting. This method differs from accounting principles generally accepted in the United States of America since revenues are recorded when received rather than when earned, and expenses are recorded when paid rather than when incurred. This change resulted in an increase in beginning net assets of approximately $50,000. and a decrease to 2020 operations of the same amount.

Use of estimates

In the preparation of financial statements in conformity with the modified cash basis of accounting, Plan management customarily makes estimates and assumptions that affect the reported amounts of Plan assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Accordingly, actual results could differ from those estimates.

Investment valuation and income recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's chief financial officer determines the Plan's investment policies, subject to the oversight of the Company's Board of Directors. See Note 3 for discussion of fair value measurements.

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

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the modified cash basis, when it is received. Related fees are recorded as administrative expenses and are expensed when paid. As of December 31, 2020 and 2019, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment.

Note 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (continued)

Payment of benefits

Benefits are recorded when paid.

Administrative expenses

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

Subsequent events

The Plan has evaluated subsequent events through September 16, 2021, the date which the financial statements were available to be issued.

Note 3 **FAIR VALUE MEASUREMENTS**

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted market prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs were not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs were not available. Level 1 inputs are used to value mutual funds. There are no plan assets requiring the use of Level 2 or Level 3 inputs for the periods presented.

Level 1

The fair value of mutual funds is based on quoted net asset values of the shares as reported by the fund. The mutual funds held by the Plan are open-end mutual funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Plan are considered to be actively traded.

Note 3 **FAIR VALUE MEASUREMENTS** – (continued)

The following table sets forth by level, within the fair value hierarchy, the plan's investments as of December 31, 2020 and 2019.

	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,402,759	$ -	$ -	$ 3,402,759
Subtotal	3,402,759	-	-	3,402,759
Interest-bearing cash				483,857
Total				$ 3,886,616

	Assets at Fair Value as of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,446,889	$ -	$ -	$ 3,446,889
Subtotal	3,446,889	-	-	3,446,889
Interest-bearing cash				4,378
Total				$ 3,451,267

Gains and losses included in changes in net assets available for benefits for the years ended December 31, 2020 and 2019, are reported in net appreciation in fair value of investments.

The Plan's policy is to recognize transfers from different levels of the fair value hierarchy as of the date of the event or changes in circumstances that caused the transfer. For the year ended December 31, 2020, there were no significant transfers between different levels of the fair value hierarchy.

Note 4 **INFORMATION PREPARED AND CERTIFIED BY FIDELITY MANAGEMENT TRUST COMPANY AND TRANSAMERICA RETIREMENT SERVICES**

The December 31, 2020 and 2019 statements of net assets available for benefits, the investment activities included on the statement of changes in net assets available for benefits for the year ended December 31, 2020, and the accompanying notes to the financial statements were prepared in part or entirely from information certified by Fidelity Management Trust Company (FMTC) and Transamerica Retirement Services (TRS) in accordance with 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 information certified includes total investments of $3,939,015 and $3,521,001 at December 31, 2020 and 2019, respectively, and related investment earnings of $437,199 for the year ended December 31, 2020.

These accounts are maintained by FMTC and TRS, parties-in-interest.

Note 5 **PARTY-IN-INTEREST TRANSACTIONS**

Most Plan investments are shares of mutual funds maintained by FMTC. This party-in-interest transaction is exempt from the prohibited transaction rules of ERISA.

Employee deferrals for two pay periods (totaling approximately $8,306) were not remitted to the Plan on a timely basis. These are nonexempt party-in-interest transactions under ERISA.

Note 6 **PLAN TERMINATION**

Although it has not expressed any intent to do so, the Plan's sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of a full or partial Plan termination, affected participants would become 100% vested in their employer contributions, if any.

Note 7 **TAX STATUS**

Effective January 1, 2016, the Plan adopted the Inwest Retirement Solutions, Inc. Defined Contribution Volume Submitter Plan and Trust (the Initial Volume Submitter Plan.) The Initial Volume Submitter Plan obtained its latest advisory letter on March 31, 2014 in which the Internal Revenue Service stated that the Initial Volume Submitter Plan, as designed, was in compliance with the applicable requirements of the Code.

Then, effective January 1, 2010, the Plan adopted the Fidelity Basic Plan Document No. 17 (the Volume Submitter Plan), which had been amended effective November 25, 2019. The Volume Submitter Plan obtained its latest advisory letter on March 31, 2014, in which the Internal Revenue Service stated that the Volume Submitter Plan, as then designed, was in compliance with the applicable requirements of the Code.

The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

In accordance with the modified cash basis of accounting, plan management customarily evaluates tax positions taken by the plan and discloses a tax liability if the plan has taken an uncertain position that is more likely than not would not be sustained upon examination by the U.S. Internal Revenue Service. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the plan is no longer subject to income tax examinations for years prior to 2017.

Note 8 **REPORTABLE TRANSACTIONS**

There were no reportable transactions in 2020.

SUPPLEMENTARY INFORMATION

LABCON, INC. 401(K) PLAN
EIN - 75-2490564
PLAN NUMBER - 001
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2020

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current Value
*	Interest-bearing cash	Fidelity Government Money Market	$ 483,857
			483,857
*	Mutual funds	Fidelity Freedom Index Inc - Investor Class	184,059
*	Mutual funds	Fidelity Freedom Index 2020 - Investor Class	535,906
*	Mutual funds	Fidelity Freedom Index 2025 - Investor Class	604,513
*	Mutual funds	Fidelity Freedom Index 2030 - Investor Class	570,021
*	Mutual funds	Fidelity Freedom Index 2035 - Investor Class	199,602
*	Mutual funds	Fidelity Freedom Index 2040 - Investor Class	336,738
*	Mutual funds	Fidelity Freedom Index 2045 - Investor Class	292,591
*	Mutual funds	Fidelity Freedom Index 2050 - Investor Class	62,436
*	Mutual funds	Fidelity Freedom Index 2015 - Investor Class	15,675
*	Mutual funds	Fidelity 500 Index	98,800
*	Mutual funds	Fidelity Freedom Index 2055 - Investor Class	42,417
*	Mutual funds	Fidelity Mid Cap Index	2,042
*	Mutual funds	Fidelity International Index	17,337
*	Mutual funds	Fidelity Inflation-Protected Bond Index Fund	4,220
*	Mutual funds	DFA US Targeted Value Portfolio Institutional Class	6,564
*	Mutual funds	Vanguard Real Estate Index Fund Admiral Shares	2,334
*	Mutual funds	MFS Mid Cap Value Fund Class R6	38,583
*	Mutual funds	DFA Emerging Mkts Portfolio Institutional Class	4,195
*	Mutual funds	PGIM Total Return Bond Fund - Class R6	98,693
*	Mutual funds	American Funds The Growth Fund of America Class R-6	133,491
*	Mutual funds	Janus Henderson Triton Fund Class N	7,492
*	Mutual funds	Pioneer Select Mid Cap Growth Fund Class Y	40,871
	Mutual funds	JP Morgan Equity Income Fund Class R6	12,752
*	Mutual funds	American Funds U.S. Government Securities Fund Class R-6	91,427
			3,402,759
*	Participant Loans	Interest rates of 4.25% - 6.5%, maturing at various dates through August 2025.	52,399
TOTAL ASSETS (HELD AT END OF YEAR)			$ 3,939,015

* Party-in-interest

See independent auditor's report.

Milbern Ray and Company
L.L.P.
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MEMBER:
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ACCOUNTANTS

To the management of:
Labcon, Inc. 401(k) Plan
3022 Roy Orr Blvd.
Grand Prairie, Texas 75050

We have conducted a DOL limited-scope audit of the financial statements of Labcon, Inc. 401(k) Plan for the year ended December 31, 2020 and have issued our report thereon dated September 16, 2021. 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 4 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental schedules as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 20, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

You are responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Labcon, Inc. 401(k) Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on your knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Your estimate of the fair value of mutual funds is based on the quoted market prices of each mutual fund. These fair values were summarized in Note 3 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. You have corrected all such misstatements.

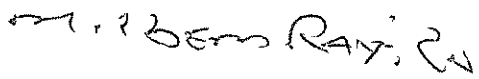
Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Other Matters

This information is intended solely for the use of the management of Labcon, Inc. 401(k) Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

September 16, 2021
Grapevine, Texas



Milbern Ray and Company
L.L.P.
Certified Public Accountants

Milbern Ray and Company
L.L.P.
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MEMBER:
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ACCOUNTANTS

To the management of:
Labcon, Inc. 401(k) Plan
3022 Roy Orr Blvd.
Grand Prairie, Texas 75050

Except as discussed in the following paragraph, in planning and performing our audit of the financial statements of Labcon, Inc. 401(k) Plan (the "Plan") as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Labcon, Inc. 401(k) Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of issuing our report on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

We were engaged to perform a DOL limited-scope audit of those financial statements 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. Our audit did not include all of the procedures required by auditing standards generally accepted in the United States of America and did not include a consideration of internal control relating to the information summarized in Note 4 to those financial statements. Because of the significance of the information that we did not audit, we were unable to, and did not, express an opinion on those financial statements.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in Labcon, Inc. 401(k) Plan's internal control to be a significant deficiency:

In our testing of 25 participants, we noted certain discrepancies between the employee file and the payroll reports. These were as follows:

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401(k) deferral rate differed from deferral authorized in employee file

- Alberto Vega's file had a 401(k) form authorizing a deferral of 0% of pay. His actual deferral in July 2020 was $20 per pay.
- Pedro Osuna's file had a 401(k) form authorizing a deferral of 2% of pay. His actual deferral in July 2020 was 10% of compensation.
- Matt Shepherd's file had no 401(k) form authorizing a deferral of a portion of pay. His actual deferral in July 2020 was 1% of compensation.
- Mario Alvarez' file had a 401(k) form authorizing a deferral of 6% of pay. His actual deferral in July 2020 was 7% of compensation.
- James Crevier's file had a 401(k) form authorizing a deferral of $50 per pay. His actual deferral in July 2020 was 0% of compensation.
- David Stambro's file had a 401(k) form authorizing a deferral of 12% of pay. His actual deferral in July 2020 was 18% of compensation.
- Guadalupe Rubio's file had no 401(k) form authorizing a deferral of a portion of pay. Her actual deferral in July 2020 was $14 per pay.

This communication is intended solely for the information and use of management and others within the Plan, and is not intended to be, and should not be, used by anyone other than these specified parties.

September 16, 2021
Grapevine, Texas

M. Ibern Ray

Milbern Ray and Company
L.L.P.
Certified Public Accountants

LABCON, INC. 401(K) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Participants of Labcon, Inc. 401(k) Plan
Grand Prairie, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Labcon, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits – modified cash basis as of December 31, 2020 and 2019, and the related modified cash basis statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 4, which was certified by Fidelity Management Trust Company and Transamerica Retirement Services, the custodians of the Plan at December 31, 2020 and 2019, respectively, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodians hold/held the Plan's investment assets and executes/executed investment transactions. The plan administrator has obtained



certifications from the custodians as of December 31, 2020 and 2019, and for the year ended December 31, 2020, that the information provided to the plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, 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.

Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of and for the year ended December 31, 2020 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are 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 these supplemental schedules.

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

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, 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.

September 16, 2021
Grapevine, Texas

M. Ibern Ray & Co

Milbern Ray and Company
L.L.P.
Certified Public Accountants

LABCON, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Investments		
Participant directed investments, at fair value		
Mutual funds	$ 3,402,759	$ 3,446,889
Interest-bearing cash	483,857	4,378
	3,886,616	3,451,267
Receivables:		
Notes receivable from participants	52,399	69,734
	52,399	69,734
Total assets	3,939,015	3,521,001
Liabilities:	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,939,015	$ 3,521,001

See independent auditor's report and accompanying notes, which are an integral part of these financial statements.

LABCON, INC. 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2020

ADDITIONS		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in investments carried at fair value	$	343,218
Interest and dividends		89,578
		432,796
Contributions:		
Participants' deferred compensation		272,727
		272,727
Other income		2,143
TOTAL ADDITIONS		707,666
DEDUCTIONS		
Deductions from net assets attributed to:		
Administrative expenses		15,462
Benefits paid to participants		274,190
TOTAL DEDUCTIONS		289,652
NET INCREASE		418,014
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		3,521,001
END OF YEAR	$	3,939,015

See independent auditor's report and accompanying notes, which are an integral part of these financial statements.

Note 1 DESCRIPTION OF PLAN

The following description of the Labcon, Inc. (Company) 401(k) Plan (Plan) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age 21 or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Board of Directors of the plan sponsor oversees governance of the Plan. The plan sponsor's chief financial officer determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the plan sponsor's Board of Directors.

Contributions

Each year, participants may contribute up to 100% of their annual compensation, as defined in the Plan. Contributions may be made on a tax-deferred or non tax-deferred (Roth) basis. 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 contribution plans. Except for the Roth contributions, after-tax contributions are not allowed. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options for participants. Contributions are automatically invested in a designated investment alternative until changed by the participant.

At its discretion, the Company may make matching, profit sharing or qualified nonelective contributions. If made, these contributions would be allocated to participants under the terms of the plan document. To date, there have been no employer contributions, except those needed to defray administrative expenses.

Contributions are subject to certain statutory limitations.

Participant accounts

Each participant's account is credited with the participant's contribution, and allocations of (a) the Company's matching contribution, if any, and (b) Plan investment earnings (losses), and are charged with an allocation of any administrative expenses paid by the Plan. 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.

Note 1 **DESCRIPTION OF PLAN** – (continued)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution, if any, is based on years of continuous service. As of December 31, 2020, all funds were fully vested.

Notes receivable from participants

Participants may receive a loan from their fund accounts for a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 6.5%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through weekly payroll deductions.

Loans range up to five years in length, although a longer repayment term may be permitted if the loan is for the purchase of a principal residence.

Payment of benefits

Benefits are paid as lump-sum distributions. Upon termination of service, participants with vested balances of $5,000 or less receive a distribution of their vested balances. If the participant does not affirmatively request that vested balances between $1,000 and $5,000 be rolled directly into an eligible retirement plan or paid to them, net of tax withholding, an individual retirement account is created for them and the balance is rolled into it. Otherwise, participants (or their beneficiaries) are eligible to receive benefits upon termination of service due to death, disability or retirement. In-service distributions are available to participants when they attain age 59.5. Rollover contributions and the accumulated earnings thereon may be withdrawn at any time.

During 2020, the Plan implemented the distribution provision of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act that was signed into law on March 27, 2020. A CARES Act distribution allows the Plan's participants to take a COVID-19 related distribution up to $100,000 from the Plan during 2020. Written amendments to the Plan to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

Forfeited accounts

Forfeitures were not material in 2020.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

Effective January 1, 2020 the Plan changed its basis of accounting from accounting principles generally accepted in the United States of America to the modified cash basis of accounting. This method differs from accounting principles generally accepted in the United States of America since revenues are recorded when received rather than when earned, and expenses are recorded when paid rather than when incurred. This change resulted in an increase in beginning net assets of approximately $50,000. and a decrease to 2020 operations of the same amount.

Use of estimates

In the preparation of financial statements in conformity with the modified cash basis of accounting, Plan management customarily makes estimates and assumptions that affect the reported amounts of Plan assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Accordingly, actual results could differ from those estimates.

Investment valuation and income recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's chief financial officer determines the Plan's investment policies, subject to the oversight of the Company's Board of Directors. See Note 3 for discussion of fair value measurements.

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

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the modified cash basis, when it is received. Related fees are recorded as administrative expenses and are expensed when paid. As of December 31, 2020 and 2019, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment.

Note 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (continued)

Payment of benefits

Benefits are recorded when paid.

Administrative expenses

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

Subsequent events

The Plan has evaluated subsequent events through September 16, 2021, the date which the financial statements were available to be issued.

Note 3 **FAIR VALUE MEASUREMENTS**

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted market prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs were not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs were not available. Level 1 inputs are used to value mutual funds. There are no plan assets requiring the use of Level 2 or Level 3 inputs for the periods presented.

Level 1

The fair value of mutual funds is based on quoted net asset values of the shares as reported by the fund. The mutual funds held by the Plan are open-end mutual funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Plan are considered to be actively traded.

Note 3 **FAIR VALUE MEASUREMENTS** – (continued)

The following table sets forth by level, within the fair value hierarchy, the plan's investments as of December 31, 2020 and 2019.

	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,402,759	$ -	$ -	$ 3,402,759
Subtotal	3,402,759	-	-	3,402,759
Interest-bearing cash				483,857
Total				$ 3,886,616

	Assets at Fair Value as of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,446,889	$ -	$ -	$ 3,446,889
Subtotal	3,446,889	-	-	3,446,889
Interest-bearing cash				4,378
Total				$ 3,451,267

Gains and losses included in changes in net assets available for benefits for the years ended December 31, 2020 and 2019, are reported in net appreciation in fair value of investments.

The Plan's policy is to recognize transfers from different levels of the fair value hierarchy as of the date of the event or changes in circumstances that caused the transfer. For the year ended December 31, 2020, there were no significant transfers between different levels of the fair value hierarchy.

Note 4 **INFORMATION PREPARED AND CERTIFIED BY FIDELITY MANAGEMENT TRUST COMPANY AND TRANSAMERICA RETIREMENT SERVICES**

The December 31, 2020 and 2019 statements of net assets available for benefits, the investment activities included on the statement of changes in net assets available for benefits for the year ended December 31, 2020, and the accompanying notes to the financial statements were prepared in part or entirely from information certified by Fidelity Management Trust Company (FMTC) and Transamerica Retirement Services (TRS) in accordance with 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 information certified includes total investments of $3,939,015 and $3,521,001 at December 31, 2020 and 2019, respectively, and related investment earnings of $437,199 for the year ended December 31, 2020.

These accounts are maintained by FMTC and TRS, parties-in-interest.

Note 5 **PARTY-IN-INTEREST TRANSACTIONS**

Most Plan investments are shares of mutual funds maintained by FMTC. This party-in-interest transaction is exempt from the prohibited transaction rules of ERISA.

Employee deferrals for two pay periods (totaling approximately $8,306) were not remitted to the Plan on a timely basis. These are nonexempt party-in-interest transactions under ERISA.

Note 6 **PLAN TERMINATION**

Although it has not expressed any intent to do so, the Plan's sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of a full or partial Plan termination, affected participants would become 100% vested in their employer contributions, if any.

Note 7 **TAX STATUS**

Effective January 1, 2016, the Plan adopted the Inwest Retirement Solutions, Inc. Defined Contribution Volume Submitter Plan and Trust (the Initial Volume Submitter Plan.) The Initial Volume Submitter Plan obtained its latest advisory letter on March 31, 2014 in which the Internal Revenue Service stated that the Initial Volume Submitter Plan, as designed, was in compliance with the applicable requirements of the Code.

Then, effective January 1, 2010, the Plan adopted the Fidelity Basic Plan Document No. 17 (the Volume Submitter Plan), which had been amended effective November 25, 2019. The Volume Submitter Plan obtained its latest advisory letter on March 31, 2014, in which the Internal Revenue Service stated that the Volume Submitter Plan, as then designed, was in compliance with the applicable requirements of the Code.

The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

In accordance with the modified cash basis of accounting, plan management customarily evaluates tax positions taken by the plan and discloses a tax liability if the plan has taken an uncertain position that is more likely than not would not be sustained upon examination by the U.S. Internal Revenue Service. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the plan is no longer subject to income tax examinations for years prior to 2017.

Note 8 **REPORTABLE TRANSACTIONS**

There were no reportable transactions in 2020.

SUPPLEMENTARY INFORMATION

LABCON, INC. 401(K) PLAN
EIN - 75-2490564
PLAN NUMBER - 001
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2020

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current Value
*	Interest-bearing cash	Fidelity Government Money Market	$ 483,857
			483,857
*	Mutual funds	Fidelity Freedom Index Inc - Investor Class	184,059
*	Mutual funds	Fidelity Freedom Index 2020 - Investor Class	535,906
*	Mutual funds	Fidelity Freedom Index 2025 - Investor Class	604,513
*	Mutual funds	Fidelity Freedom Index 2030 - Investor Class	570,021
*	Mutual funds	Fidelity Freedom Index 2035 - Investor Class	199,602
*	Mutual funds	Fidelity Freedom Index 2040 - Investor Class	336,738
*	Mutual funds	Fidelity Freedom Index 2045 - Investor Class	292,591
*	Mutual funds	Fidelity Freedom Index 2050 - Investor Class	62,436
*	Mutual funds	Fidelity Freedom Index 2015 - Investor Class	15,675
*	Mutual funds	Fidelity 500 Index	98,800
*	Mutual funds	Fidelity Freedom Index 2055 - Investor Class	42,417
*	Mutual funds	Fidelity Mid Cap Index	2,042
*	Mutual funds	Fidelity International Index	17,337
*	Mutual funds	Fidelity Inflation-Protected Bond Index Fund	4,220
*	Mutual funds	DFA US Targeted Value Portfolio Institutional Class	6,564
*	Mutual funds	Vanguard Real Estate Index Fund Admiral Shares	2,334
*	Mutual funds	MFS Mid Cap Value Fund Class R6	38,583
*	Mutual funds	DFA Emerging Mkts Portfolio Institutional Class	4,195
*	Mutual funds	PGIM Total Return Bond Fund - Class R6	98,693
*	Mutual funds	American Funds The Growth Fund of America Class R-6	133,491
*	Mutual funds	Janus Henderson Triton Fund Class N	7,492
*	Mutual funds	Pioneer Select Mid Cap Growth Fund Class Y	40,871
	Mutual funds	JP Morgan Equity Income Fund Class R6	12,752
*	Mutual funds	American Funds U.S. Government Securities Fund Class R-6	91,427
			3,402,759
*	Participant Loans	Interest rates of 4.25% - 6.5%, maturing at various dates through August 2025.	52,399
TOTAL ASSETS (HELD AT END OF YEAR)			$ 3,939,015

* Party-in-interest

See independent auditor's report.

Milbern Ray and Company
L.L.P.
Certified Public Accountants

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OF CERTIFIED PUBLIC
ACCOUNTANTS

To the management of:
Labcon, Inc. 401(k) Plan
3022 Roy Orr Blvd.
Grand Prairie, Texas 75050

We have conducted a DOL limited-scope audit of the financial statements of Labcon, Inc. 401(k) Plan for the year ended December 31, 2020 and have issued our report thereon dated September 16, 2021. 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 4 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental schedules as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 20, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

You are responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Labcon, Inc. 401(k) Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on your knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Your estimate of the fair value of mutual funds is based on the quoted market prices of each mutual fund. These fair values were summarized in Note 3 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. You have corrected all such misstatements.

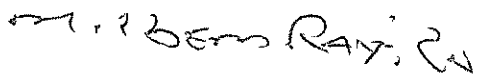
Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Other Matters

This information is intended solely for the use of the management of Labcon, Inc. 401(k) Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

September 16, 2021
Grapevine, Texas



Milbern Ray and Company
L.L.P.
Certified Public Accountants

Milbern Ray and Company
L.L.P.
Certified Public Accountants

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To the management of:
Labcon, Inc. 401(k) Plan
3022 Roy Orr Blvd.
Grand Prairie, Texas 75050

Except as discussed in the following paragraph, in planning and performing our audit of the financial statements of Labcon, Inc. 401(k) Plan (the "Plan") as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Labcon, Inc. 401(k) Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of issuing our report on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

We were engaged to perform a DOL limited-scope audit of those financial statements 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. Our audit did not include all of the procedures required by auditing standards generally accepted in the United States of America and did not include a consideration of internal control relating to the information summarized in Note 4 to those financial statements. Because of the significance of the information that we did not audit, we were unable to, and did not, express an opinion on those financial statements.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in Labcon, Inc. 401(k) Plan's internal control to be a significant deficiency:

In our testing of 25 participants, we noted certain discrepancies between the employee file and the payroll reports. These were as follows:

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401(k) deferral rate differed from deferral authorized in employee file

- Alberto Vega's file had a 401(k) form authorizing a deferral of 0% of pay. His actual deferral in July 2020 was $20 per pay.
- Pedro Osuna's file had a 401(k) form authorizing a deferral of 2% of pay. His actual deferral in July 2020 was 10% of compensation.
- Matt Shepherd's file had no 401(k) form authorizing a deferral of a portion of pay. His actual deferral in July 2020 was 1% of compensation.
- Mario Alvarez' file had a 401(k) form authorizing a deferral of 6% of pay. His actual deferral in July 2020 was 7% of compensation.
- James Crevier's file had a 401(k) form authorizing a deferral of $50 per pay. His actual deferral in July 2020 was 0% of compensation.
- David Stambro's file had a 401(k) form authorizing a deferral of 12% of pay. His actual deferral in July 2020 was 18% of compensation.
- Guadalupe Rubio's file had no 401(k) form authorizing a deferral of a portion of pay. Her actual deferral in July 2020 was $14 per pay.

This communication is intended solely for the information and use of management and others within the Plan, and is not intended to be, and should not be, used by anyone other than these specified parties.

September 16, 2021
Grapevine, Texas

M. Ibern Ray

Milbern Ray and Company
L.L.P.
Certified Public Accountants

LABCON, INC. 401(K) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITOR'S REPORT

To the Participants of Labcon, Inc. 401(k) Plan
Grand Prairie, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Labcon, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits – modified cash basis as of December 31, 2020 and 2019, and the related modified cash basis statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 4, which was certified by Fidelity Management Trust Company and Transamerica Retirement Services, the custodians of the Plan at December 31, 2020 and 2019, respectively, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodians hold/held the Plan's investment assets and executes/executed investment transactions. The plan administrator has obtained



certifications from the custodians as of December 31, 2020 and 2019, and for the year ended December 31, 2020, that the information provided to the plan administrator by the custodians is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, 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.

Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of and for the year ended December 31, 2020 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are 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 these supplemental schedules.

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

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodians, 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.

September 16, 2021
Grapevine, Texas

M. Ibern Ray & Co

Milbern Ray and Company
L.L.P.
Certified Public Accountants

LABCON, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

DECEMBER 31, 2020 AND 2019

	2020	2019
ASSETS		
Investments		
Participant directed investments, at fair value		
Mutual funds	$ 3,402,759	$ 3,446,889
Interest-bearing cash	483,857	4,378
	3,886,616	3,451,267
Receivables:		
Notes receivable from participants	52,399	69,734
	52,399	69,734
Total assets	3,939,015	3,521,001
Liabilities:	-	-
NET ASSETS AVAILABLE FOR BENEFITS	$ 3,939,015	$ 3,521,001

See independent auditor's report and accompanying notes, which are an integral part of these financial statements.

LABCON, INC. 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2020

ADDITIONS		
Additions to net assets attributed to:		
Investment income:		
Net appreciation in investments carried at fair value	$	343,218
Interest and dividends		89,578
		432,796
Contributions:		
Participants' deferred compensation		272,727
		272,727
Other income		2,143
TOTAL ADDITIONS		707,666
DEDUCTIONS		
Deductions from net assets attributed to:		
Administrative expenses		15,462
Benefits paid to participants		274,190
TOTAL DEDUCTIONS		289,652
NET INCREASE		418,014
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year		3,521,001
END OF YEAR	$	3,939,015

See independent auditor's report and accompanying notes, which are an integral part of these financial statements.

Note 1 DESCRIPTION OF PLAN

The following description of the Labcon, Inc. (Company) 401(k) Plan (Plan) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age 21 or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Board of Directors of the plan sponsor oversees governance of the Plan. The plan sponsor's chief financial officer determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the plan sponsor's Board of Directors.

Contributions

Each year, participants may contribute up to 100% of their annual compensation, as defined in the Plan. Contributions may be made on a tax-deferred or non tax-deferred (Roth) basis. 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 contribution plans. Except for the Roth contributions, after-tax contributions are not allowed. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds as investment options for participants. Contributions are automatically invested in a designated investment alternative until changed by the participant.

At its discretion, the Company may make matching, profit sharing or qualified nonelective contributions. If made, these contributions would be allocated to participants under the terms of the plan document. To date, there have been no employer contributions, except those needed to defray administrative expenses.

Contributions are subject to certain statutory limitations.

Participant accounts

Each participant's account is credited with the participant's contribution, and allocations of (a) the Company's matching contribution, if any, and (b) Plan investment earnings (losses), and are charged with an allocation of any administrative expenses paid by the Plan. 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.

Note 1 **DESCRIPTION OF PLAN** – (continued)

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution, if any, is based on years of continuous service. As of December 31, 2020, all funds were fully vested.

Notes receivable from participants

Participants may receive a loan from their fund accounts for a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 6.5%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through weekly payroll deductions.

Loans range up to five years in length, although a longer repayment term may be permitted if the loan is for the purchase of a principal residence.

Payment of benefits

Benefits are paid as lump-sum distributions. Upon termination of service, participants with vested balances of $5,000 or less receive a distribution of their vested balances. If the participant does not affirmatively request that vested balances between $1,000 and $5,000 be rolled directly into an eligible retirement plan or paid to them, net of tax withholding, an individual retirement account is created for them and the balance is rolled into it. Otherwise, participants (or their beneficiaries) are eligible to receive benefits upon termination of service due to death, disability or retirement. In-service distributions are available to participants when they attain age 59.5. Rollover contributions and the accumulated earnings thereon may be withdrawn at any time.

During 2020, the Plan implemented the distribution provision of the Coronavirus Aid, Relief, and Economic Security ("CARES") Act that was signed into law on March 27, 2020. A CARES Act distribution allows the Plan's participants to take a COVID-19 related distribution up to $100,000 from the Plan during 2020. Written amendments to the Plan to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

Forfeited accounts

Forfeitures were not material in 2020.

Note 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

Effective January 1, 2020 the Plan changed its basis of accounting from accounting principles generally accepted in the United States of America to the modified cash basis of accounting. This method differs from accounting principles generally accepted in the United States of America since revenues are recorded when received rather than when earned, and expenses are recorded when paid rather than when incurred. This change resulted in an increase in beginning net assets of approximately $50,000. and a decrease to 2020 operations of the same amount.

Use of estimates

In the preparation of financial statements in conformity with the modified cash basis of accounting, Plan management customarily makes estimates and assumptions that affect the reported amounts of Plan assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Accordingly, actual results could differ from those estimates.

Investment valuation and income recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company's chief financial officer determines the Plan's investment policies, subject to the oversight of the Company's Board of Directors. See Note 3 for discussion of fair value measurements.

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

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the modified cash basis, when it is received. Related fees are recorded as administrative expenses and are expensed when paid. As of December 31, 2020 and 2019, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment.

Note 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** – (continued)

Payment of benefits

Benefits are recorded when paid.

Administrative expenses

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

Subsequent events

The Plan has evaluated subsequent events through September 16, 2021, the date which the financial statements were available to be issued.

Note 3 **FAIR VALUE MEASUREMENTS**

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority. Level 2 inputs consist of observable inputs other than quoted market prices for identical assets (Level 1). Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs were not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs were not available. Level 1 inputs are used to value mutual funds. There are no plan assets requiring the use of Level 2 or Level 3 inputs for the periods presented.

Level 1

The fair value of mutual funds is based on quoted net asset values of the shares as reported by the fund. The mutual funds held by the Plan are open-end mutual funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Plan are considered to be actively traded.

Note 3 **FAIR VALUE MEASUREMENTS** – (continued)

The following table sets forth by level, within the fair value hierarchy, the plan's investments as of December 31, 2020 and 2019.

	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,402,759	$ -	$ -	$ 3,402,759
Subtotal	3,402,759	-	-	3,402,759
Interest-bearing cash				483,857
Total				$ 3,886,616

	Assets at Fair Value as of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Mutual funds	$ 3,446,889	$ -	$ -	$ 3,446,889
Subtotal	3,446,889	-	-	3,446,889
Interest-bearing cash				4,378
Total				$ 3,451,267

Gains and losses included in changes in net assets available for benefits for the years ended December 31, 2020 and 2019, are reported in net appreciation in fair value of investments.

The Plan's policy is to recognize transfers from different levels of the fair value hierarchy as of the date of the event or changes in circumstances that caused the transfer. For the year ended December 31, 2020, there were no significant transfers between different levels of the fair value hierarchy.

Note 4 **INFORMATION PREPARED AND CERTIFIED BY FIDELITY MANAGEMENT TRUST COMPANY AND TRANSAMERICA RETIREMENT SERVICES**

The December 31, 2020 and 2019 statements of net assets available for benefits, the investment activities included on the statement of changes in net assets available for benefits for the year ended December 31, 2020, and the accompanying notes to the financial statements were prepared in part or entirely from information certified by Fidelity Management Trust Company (FMTC) and Transamerica Retirement Services (TRS) in accordance with 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 information certified includes total investments of $3,939,015 and $3,521,001 at December 31, 2020 and 2019, respectively, and related investment earnings of $437,199 for the year ended December 31, 2020.

These accounts are maintained by FMTC and TRS, parties-in-interest.

Note 5 **PARTY-IN-INTEREST TRANSACTIONS**

Most Plan investments are shares of mutual funds maintained by FMTC. This party-in-interest transaction is exempt from the prohibited transaction rules of ERISA.

Employee deferrals for two pay periods (totaling approximately $8,306) were not remitted to the Plan on a timely basis. These are nonexempt party-in-interest transactions under ERISA.

Note 6 **PLAN TERMINATION**

Although it has not expressed any intent to do so, the Plan's sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of a full or partial Plan termination, affected participants would become 100% vested in their employer contributions, if any.

Note 7 **TAX STATUS**

Effective January 1, 2016, the Plan adopted the Inwest Retirement Solutions, Inc. Defined Contribution Volume Submitter Plan and Trust (the Initial Volume Submitter Plan.) The Initial Volume Submitter Plan obtained its latest advisory letter on March 31, 2014 in which the Internal Revenue Service stated that the Initial Volume Submitter Plan, as designed, was in compliance with the applicable requirements of the Code.

Then, effective January 1, 2010, the Plan adopted the Fidelity Basic Plan Document No. 17 (the Volume Submitter Plan), which had been amended effective November 25, 2019. The Volume Submitter Plan obtained its latest advisory letter on March 31, 2014, in which the Internal Revenue Service stated that the Volume Submitter Plan, as then designed, was in compliance with the applicable requirements of the Code.

The Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

In accordance with the modified cash basis of accounting, plan management customarily evaluates tax positions taken by the plan and discloses a tax liability if the plan has taken an uncertain position that is more likely than not would not be sustained upon examination by the U.S. Internal Revenue Service. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes the plan is no longer subject to income tax examinations for years prior to 2017.

Note 8 **REPORTABLE TRANSACTIONS**

There were no reportable transactions in 2020.

SUPPLEMENTARY INFORMATION

LABCON, INC. 401(K) PLAN
EIN - 75-2490564
PLAN NUMBER - 001
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2020

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(e) Current Value
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*	Mutual funds	PGIM Total Return Bond Fund - Class R6	98,693
*	Mutual funds	American Funds The Growth Fund of America Class R-6	133,491
*	Mutual funds	Janus Henderson Triton Fund Class N	7,492
*	Mutual funds	Pioneer Select Mid Cap Growth Fund Class Y	40,871
	Mutual funds	JP Morgan Equity Income Fund Class R6	12,752
*	Mutual funds	American Funds U.S. Government Securities Fund Class R-6	91,427
			3,402,759
*	Participant Loans	Interest rates of 4.25% - 6.5%, maturing at various dates through August 2025.	52,399
TOTAL ASSETS (HELD AT END OF YEAR)			$ 3,939,015

* Party-in-interest

See independent auditor's report.

Milbern Ray and Company
L.L.P.
Certified Public Accountants

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MEMBER:
AMERICAN INSTITUTE
OF CERTIFIED PUBLIC
ACCOUNTANTS

To the management of:
Labcon, Inc. 401(k) Plan
3022 Roy Orr Blvd.
Grand Prairie, Texas 75050

We have conducted a DOL limited-scope audit of the financial statements of Labcon, Inc. 401(k) Plan for the year ended December 31, 2020 and have issued our report thereon dated September 16, 2021. 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 4 to those financial statements. Because of the significance of the information that we did not audit, we are unable to, and have not, expressed an opinion on those financial statements and supplemental schedules as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 20, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

You are responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Labcon, Inc. 401(k) Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements and are based on your knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Your estimate of the fair value of mutual funds is based on the quoted market prices of each mutual fund. These fair values were summarized in Note 3 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in performing and completing our audit.

Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. You have corrected all such misstatements.

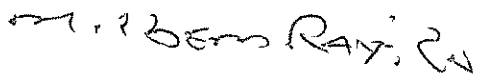
Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Other Matters

This information is intended solely for the use of the management of Labcon, Inc. 401(k) Plan and is not intended to be, and should not be, used by anyone other than these specified parties.

September 16, 2021
Grapevine, Texas



Milbern Ray and Company
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To the management of:
Labcon, Inc. 401(k) Plan
3022 Roy Orr Blvd.
Grand Prairie, Texas 75050

Except as discussed in the following paragraph, in planning and performing our audit of the financial statements of Labcon, Inc. 401(k) Plan (the "Plan") as of and for the year ended December 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Labcon, Inc. 401(k) Plan's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of issuing our report on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness of the Plan's internal control.

We were engaged to perform a DOL limited-scope audit of those financial statements 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. Our audit did not include all of the procedures required by auditing standards generally accepted in the United States of America and did not include a consideration of internal control relating to the information summarized in Note 4 to those financial statements. Because of the significance of the information that we did not audit, we were unable to, and did not, express an opinion on those financial statements.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Plan's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in Labcon, Inc. 401(k) Plan's internal control to be a significant deficiency:

In our testing of 25 participants, we noted certain discrepancies between the employee file and the payroll reports. These were as follows:

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401(k) deferral rate differed from deferral authorized in employee file

- Alberto Vega's file had a 401(k) form authorizing a deferral of 0% of pay. His actual deferral in July 2020 was $20 per pay.
- Pedro Osuna's file had a 401(k) form authorizing a deferral of 2% of pay. His actual deferral in July 2020 was 10% of compensation.
- Matt Shepherd's file had no 401(k) form authorizing a deferral of a portion of pay. His actual deferral in July 2020 was 1% of compensation.
- Mario Alvarez' file had a 401(k) form authorizing a deferral of 6% of pay. His actual deferral in July 2020 was 7% of compensation.
- James Crevier's file had a 401(k) form authorizing a deferral of $50 per pay. His actual deferral in July 2020 was 0% of compensation.
- David Stambro's file had a 401(k) form authorizing a deferral of 12% of pay. His actual deferral in July 2020 was 18% of compensation.
- Guadalupe Rubio's file had no 401(k) form authorizing a deferral of a portion of pay. Her actual deferral in July 2020 was $14 per pay.

This communication is intended solely for the information and use of management and others within the Plan, and is not intended to be, and should not be, used by anyone other than these specified parties.

September 16, 2021
Grapevine, Texas

M. Ibern Ray

Milbern Ray and Company
L.L.P.
Certified Public Accountants