

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1950</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>23-0758010</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>302-299-4000</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>524150</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1950</u>		2b Employer Identification Number (EIN) <u>23-0758010</u>		2c Plan Sponsor's telephone number <u>302-299-4000</u>		2d Business code (see instructions) <u>524150</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>01/01/1950</u>											
2b Employer Identification Number (EIN) <u>23-0758010</u>											
2c Plan Sponsor's telephone number <u>302-299-4000</u>											
2d Business code (see instructions) <u>524150</u>											
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>AAA CLUB ALLIANCE INC</u> <div style="display: flex; justify-content: space-between;"> <div><u>1 RIVER PLACE</u> <u>WILMINGTON, DE 19801-5125</u></div> <div><u>1 RIVER PLACE</u> <u>WILMINGTON, DE 19801-5125</u></div> </div>											

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2022	DEBRA MAHER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2022	CATHLEEN OVCHAR
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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 1608
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> 6a(1) 212 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h
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: 1A 1I b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>AAA CLUB ALLIANCE INC</u>	D Employer Identification Number (EIN) <u>23-0758010</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2021</u>	
2 Assets:	
a Market value	2a <u>251799722</u>
b Actuarial value	2b <u>251799722</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>1050</u> (2) Vested Funding Target <u>123834066</u> (3) Total Funding Target <u>123834066</u>
b For terminated vested participants.....	<u>341</u> <u>23805628</u> <u>23805628</u>
c For active participants	<u>212</u> <u>33157093</u> <u>33157093</u>
d Total.....	<u>1603</u> <u>180796787</u> <u>180796787</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>4.93</u> %
6 Target normal cost.....	
a Present value of current plan year accruals.....	6a <u>0</u>
b Expected plan-related expenses	6b <u>0</u>
c Total (line 6a + line 6b)	6c <u>0</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>08/29/2022</u> Date
Signature of actuary	<u>20-05357</u> Most recent enrollment number
<u>STEPHEN A. CATONE, ASA</u> Type or print name of actuary	<u>215-861-2333</u> Telephone number (including area code)
<u>KORN FERRY, INC</u> Firm name	
<u>1650 ARCH STREET, SUITE 2300</u> <u>PHILADELPHIA, PA 19103-2029</u> Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2021
v. 201209

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	8325083	
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8)	8325083	0
10 Interest on line 9 using prior year's actual return of <u>14.55</u> %	1211300	
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		9723171
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.37</u> %		522135
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		10245306
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	9536383	0

Part III Funding Percentages

14 Funding target attainment percentage	14	133.99 %
15 Adjusted funding target attainment percentage	15	133.99 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	121.99 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)		18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.32 %2nd segment:
4.79 %3rd segment:
5.47 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b****22** Weighted average retirement age**22**

63

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years..... **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... **29****30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29)..... **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6c)..... **31a** 0**b** Excess assets, if applicable, but not greater than line 31a **31b** 0**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance Installment 0 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount..... **33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... **34** 0**35** Balances elected for use to offset funding requirement Carryover balance Prefunding balance Total balance 0**36** Additional cash requirement (line 34 minus line 35) **36** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37****38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 0**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances..... **38b****39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 AAA CLUB ALLIANCE INC	D Employer Identification Number (EIN) 23-0758010	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

DIETRICH & ASSOCIATES

1000 GERMANTOWN PIKE
PLYMOUTH GREEN, SUITE K-1
PLYMOUTH MEETING, PA 19462

(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?
53	NONE	170000	Yes ☐ No ☒	Yes ☐ No ☒		Yes ☐ No ☒

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

RPS PARTNERS LLC

19-CEDAR PLACE
GARDEN CITY, NY 11530

47-5161922

(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?
38	NONE	247000	Yes ☐ No ☒	Yes ☐ No ☒		Yes ☐ No ☒

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

TORRILLO & ASSOCIATES

36 REGENCY PLAZZA
GLENN MILLS, PA 19342

83-0414789

(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?
10	NONE	0	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)

KORN FERRY INC (US)

1680 ARCH STREET
SUITE 2300
PHILADELPHIA, PA 19103

41-0588903

(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?
11	NONE	135880	Yes ☐ No ☒	Yes ☐ No ☒		Yes ☐ No ☒

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

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

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

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

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AAA CLUB ALLIANCE INC</u>	D Employer Identification Number (EIN) <u>23-0758010</u>	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	1018780	40
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	10632028	
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	750	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	55968	
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	240478918	65149
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	252186444 65189
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	252186444 65189

Part II Income and Expense Statement

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

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers).....	2a(1)(C)	
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)	0
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	29888
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)	29888
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)	0
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	-5726523
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	-5726523

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		-5696635
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	69386336	
(2) To insurance carriers for the provision of benefits.....	2e(2)	176355534	
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		245741870
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	682750	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		682750
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		246424620
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-252121255
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **TORRILLO & ASSOCIATES LLC**

(2) EIN: **83-0414789**

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☒ Yes ☐ No If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 442823.			

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information 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.</div>	<div>OMB No. 1210-0110 2021 This Form is Open to Public Inspection.</div>
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AAA CLUB ALLIANCE INC</u>	D Employer Identification Number (EIN) <u>23-0758010</u>

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): _____ 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	<u>307</u>

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.)
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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
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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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☒ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2021
v. 201209

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: 100.0 % 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 _____

AAA Mid-Atlantic Defined Benefit Pension Plan

**Financial Statements
As of and for the Years Ended
December 31, 2021 and 2020
And
Supplemental Schedules
As of and for the Year Ended
December 31, 2021**

AAA Mid-Atlantic Defined Benefit Pension Plan Index

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Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)	S.1
Schedule H, Line 4(j) – Schedule of Reportable Transactions	S.2
<ul style="list-style-type: none">The supplemental schedules included are presented for purposes of additional analysis and are not a required part of the financial statements but are required by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Other schedules required by section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.	

INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator of the AAA Mid-Atlantic Defined Benefit Pension Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the accompanying financial statements of the AAA Mid-Atlantic Defined Benefit Pension Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021 (in liquidation) and the related statement of changes in net assets available for benefits for the year ended December 31, 2021 (in liquidation), and the related notes to the financial statements ("2021 Financial Statements").

Plan management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 Financial Statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Plan management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the *Auditor's Responsibilities for the Audit of the 2021 Financial Statements* section:

- the amounts and disclosures in the 2021 Financial Statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the 2021 Financial Statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that Plan management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the 2021 Financial Statements* section of our report. We are required to be independent of the AAA Mid-Atlantic Defined Benefit Pension Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Emphasis of Matter—Plan Termination and Liquidation Basis of Accounting

As discussed in Notes 1, 2, 5, 9 and 10 to the financial statements, the Plan sponsor terminated the AAA Mid-Atlantic Defined Benefit Pension Plan effective February 15, 2021, and Plan management determined liquidation is imminent. As a result, the AAA Mid-Atlantic Defined Benefit Pension Plan changed its basis of accounting from the going concern basis used in presenting the 2020 financial statements to the liquidation basis used in presenting the 2021 financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Plan Management for the Financial Statements

Plan management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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. Plan management's election of the ERISA Section 103(a)(3)(C) audit does not affect Plan management's responsibility for the financial statements.

Plan management is also responsible for maintaining a current Plan instrument, including all Plan amendments; administering the Plan; and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the AAA Mid-Atlantic Defined Benefit Pension Plan. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by Plan management, as well as evaluate the overall presentation of the financial statements.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 Financial Statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter—2021 Supplemental Schedules Required by ERISA

The supplemental Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year) as of December 31, 2021 and Schedule H, Line 4(j) – Schedule of Reportable Transactions for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of Plan management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

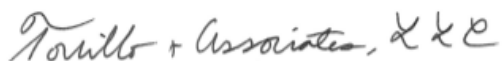
In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that Plan management determined meets the requirements of ERISA Section 103(a)(3)(C).

Other Matter—Auditor's Report on the 2020 Financial Statements (Ongoing)

We were engaged to audit the 2020 financial statements (ongoing) of the AAA Mid-Atlantic Defined Benefit Pension Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 29, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements (ongoing), and (b) the form and content of the information included in the 2020 financial statements (ongoing) other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



October 12, 2022

AAA Mid-Atlantic Defined Benefit Pension Plan
Statements of Net Assets Available for Benefits
As of December 31, 2021 (In Liquidation) and 2020 (Ongoing)

	<u>2021</u> <u>(In Liquidation)</u>	<u>2020</u> <u>(Ongoing)</u>
Assets:		
Investments, at fair value	\$ 65,149	\$ 240,534,886
Cash on deposit	40	1,018,780
Receivables		
Contributions receivable	-	10,632,028
Accrued income	17,769	750
Other receivable	1,670,700	-
Total receivables	<u>1,688,469</u>	<u>10,632,778</u>
Total assets	<u>1,753,658</u>	<u>252,186,444</u>
Liabilities:		
Accrued expenses	7,100	-
Payable to insurance carrier	95,491	-
Due to Plan sponsor	<u>1,651,067</u>	<u>-</u>
Total liabilities	<u>1,753,658</u>	<u>-</u>
Net assets available for benefits	<u><u>\$ -</u></u>	<u><u>\$ 252,186,444</u></u>

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

AAA Mid-Atlantic Defined Benefit Pension Plan
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

	<u>2021</u> <u>(In Liquidation)</u>	<u>2020</u> <u>(Ongoing)</u>
Additions (Reductions):		
Investment income (loss)		
Interest	\$ 47,657	\$ 33,231
Net appreciation (depreciation) in fair value of investments	(5,726,523)	32,296,010
Other income	-	876
Investment income (loss)	(5,678,866)	32,330,117
Employer contributions	-	10,632,028
Total additions (reductions)	(5,678,866)	42,962,145
Deductions:		
Benefits paid to participants	69,386,336	23,613,697
Benefits paid to insurance carrier for the provision of benefits	174,780,325	-
Administrative expenses	689,850	255,898
Total deductions	244,856,511	23,869,595
Net increase (decrease)	(250,535,377)	19,092,550
Transfer to Plan sponsor	(1,651,067)	
Net assets available for benefits:		
Beginning of year (ongoing)	252,186,444	233,093,894
End of year (in liquidation)	\$ -	\$ 252,186,444

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

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

1. Description of Plan

The following description of the AAA Mid-Atlantic Defined Benefit Pension Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s provisions. Copies of the Plan document and Summary Plan Description are available from the Plan administrator or Pension Committee.

General

The Plan is a noncontributory defined benefit pension plan established January 1, 1950. The Plan provides pension benefits to certain employees of AAA Club Alliance, Inc. and subsidiaries (“ACA”) or (the “Company”). Employees hired or rehired on or after September 1, 2004 are ineligible to participate in the Plan and have the opportunity to participate in the AAA Club Alliance 401(k) Retirement Savings Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended.

Effective September 1, 2017, the Plan was amended to allow for certain terminated, vested Plan participants to take elective distributions through an annuity or lump sum payment for balances between \$40,000 and \$100,000.

Effective July 31, 2018, the Plan was amended to cease accruals of additional benefits for future services and compensation for the remaining active participants in the Plan.

During 2020, the Plan provided for a limited-time distribution window for certain participants (or their surviving spouses) who terminated employment with vested accrued benefits prior to August 1, 2020 and had not reached their normal retirement dates prior to September 15, 2020. Eligible participants had from September 10, 2020 to November 22, 2020 to make an election to receive a lump-sum payout. Approximately, 100 participants accepted this offer, and the Plan has distributed approximately \$12,200,000 to these participants during the year ended December 31, 2020 in full settlement of the benefits they would have received pursuant to the Plan. The Plan is no longer obligated to pay any benefits to these approximately 100 participants.

In conjunction with the Plan termination (see below), during 2021, the Plan provided for another limited-time distribution window for all remaining participants (or their surviving spouses) not in pay status. Approximately 292 participants accepted this offer, and the Plan distributed approximately \$56.6 million to these participants in full settlement of the benefits they would have received pursuant to the Plan.

The Plan is administered by the Company’s Pension Committee (“Committee”), which is a committee of the Board of Directors of the Company. The Committee has overall responsibility for the operation and administration of the Plan. The Committee determines the appropriateness of the Plan’s investment offerings and diversification, monitors investment performance and reports to the Plan’s Pension Trustees.

Wells Fargo Bank, N.A. (the “Custodian”) is the Plan’s custodian. Additionally, the Plan has Custodian accounts with both Discover and PNC Bank for certain short-term investments. Vanguard Fiduciary Trust Company is a paying agent for benefit payments.

Plan Termination

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

The Company terminated the Plan effective February 15, 2021, the “Termination Date” (see Notes 2, 5, 9 and 10). As part of the termination, all participants became fully vested in their accrued benefits, provisions for providing lump sum payments in conjunction with the Plan termination were added to the Plan and the Plan can reimburse the Company for payment of administrative expenses. The Plan termination did not impact the amount of benefits that participants were due under the Plan.

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

During 2021, as part of the Plan termination, the Plan issued lump sum payments to certain participants who were eligible and elected to receive such payments (see above). All remaining participants in the Plan had their benefit converted to an annuity contract placed with an insurance company. The Plan distributed \$176,760,724 to American United Life Insurance Company on September 15, 2021 for the provision of these benefits. Under this annuity contract, American United Life Insurance Company assumed the liability for the remaining deferred participants effective September 15, 2021 and became responsible for monthly benefit payments to participants effective with the participants' December 1, 2021 monthly benefit payment. The Plan was no longer obligated to pay any benefits to these participants after December 1, 2021. During 2021, the Plan received a refund from American United Life Insurance Company of \$405,190 for reimbursements of benefit payments on behalf of the insurance company after September 15, 2021 and this amount was recorded as an offset to the benefits paid to insurance carrier for the provision of benefits in the accompanying statement of change in net assets available for benefits for the year ended December 31, 2021 (in liquidation).

During February 2022, as a result of final pricing adjustments in conjunction with the final verification of participant data, the Plan received an additional refund from American United Life Insurance Company of \$1,670,700, which was recorded as an other receivable in the accompanying statement of net assets available for benefits as of December 31, 2021 (in liquidation) and as an offset to the benefits paid to insurance carrier for the provision of benefits in the accompanying statement of change in net assets available for benefits for the year ended December 31, 2021 (in liquidation).

During September 2022, the Plan purchased an annuity contract in the amount of \$95,491 for the benefit of one participant who was not included in the annuity purchase with American United Life Insurance Company.

During 2022, the Plan incurred administrative expenses of \$7,100 and earned investment income of \$17,769. As the financial statements are presented on a liquidation basis, as further described below, these items are presented on the statement of net assets available for benefits as of December 31, 2021 (in liquidation) and included in the activity of the statement of changes in net assets available for benefits for the year ended December 31, 2021 (in liquidation).

After the completion of these settlement transactions, the Plan had remaining assets. During September 2022, the Plan transferred the remaining balance of \$1,651,067 to the Plan sponsor. This amount is presented as a Due to Plan Sponsor in the accompanying statement of net assets available for benefits as of December 31, 2021 (in liquidation). After this transaction, the Plan had no assets. The Plan sponsor does believe that a *Form 5330 Return of Excise Taxes Related to Employee Benefit Plan* is required to be filed.

The Plan sponsor plans to file a Form 501, Post Distribution Certificate, with the Pension Benefit Guaranty Corporation ("PBGC"). The PBGC may audit a sample of plans terminating and the Plan sponsor is required by law to maintain and preserve Plan records relating to the termination for six years after the Form 501 is filed with the PBGC. Plan management believes that it has fully funded the Plan on a termination basis and all benefit payments have been made to participants or transferred to American United Life Insurance Company, and therefore no additional fundings are required. However, Plan management expects to work with the PBGC and the IRS if any additional actions are necessary related to the Plan termination.

Funding Policy

The Company contributes such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan participants. Employer contributions are made in amounts sufficient to fund the Plan's normal cost plus an amount at least sufficient to amortize the unfunded actuarial liability and to satisfy minimum funding standards. The Plan has met the minimum funding requirements of ERISA for the 2021 and 2020 Plan years. The Company can elect to make contributions in excess of minimum contributions.

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

Vesting

As a result of the Plan being amended to cease accruals of additional benefits on July 31, 2018, participants became fully vested. Prior to July 31, 2018, participants became 100% vested upon completion of five years of credited service, as defined. If a participant terminated before completing five years of service, the right to receive accumulated benefits was forfeited, unless the participant reached the early retirement age of 60 or termination of employment was attributable to death or disability. Effective February 15, 2021, the Plan was terminated and all participants became fully vested in their accrued benefits, to the extent that they were not already vested.

Retirement Benefits

Participants are entitled to monthly pension payments beginning at normal retirement (the later of attaining age 65 or the completion of 5 years of service in the Plan).

Normal Retirement Benefit:

- For service prior to January 1, 2010, it consists of 1.5% of Final Average Annual Earnings at December 31, 2009, plus .5% of Final Average Annual Earnings at December 31, 2009 in excess of the participant's covered compensation for 2009, the sum multiplied by the credited service at December 31, 2009, not in excess of 35 years; plus 2% of Final Average Annual Earnings times credited service in excess of 35 years.
- For service after December 31, 2009, it consists of 1.0% of Final Average Annual Earnings plus .5% of Final Average Annual Earnings in excess of the participant's covered compensation, the sum multiplied by the credited service after January 1, 2010 and on or before July 31, 2018, not in excess of 35 total years; plus 1.5% of Final Average Annual Earnings times credited service after January 1, 2010 and on or before July 31, 2018. For purposes of service after December 31, 2009, Final Average Annual Earnings only uses earnings after December 31, 2009.

Former participants of other eligible groups related to plans merged with and into the Plan shall have their plan benefits calculated in accordance with their respective terms in the Plan document.

The Plan also provides for reduced benefits at early retirement age (ages 55-64 with 5 years of service) and permits late retirement.

At retirement, participants choose from a number of life annuity options or installment payments, with certain limitations described in the Plan document. If no election is made, the normal retirement benefit is a life annuity for a single participant and a 50% joint and survivor annuity for a married participant.

Death and Disability Benefits

Unless otherwise elected, a vested participant who dies prior to receiving benefits under the Plan and is married at the time of death is entitled to a benefit payable to their spouse in the form of a 50% surviving spouse annuity. If an active participant, prior to attaining age 40 and the completion of 10 years of continuous service, and with a vested balance in the Plan, becomes totally and permanently disabled, a disability pension calculated in a manner similar to a normal retirement pension is paid to the participant.

2. Summary of Significant Accounting Policies

The significant accounting policies of the Plan are as follows:

Basis of Accounting

Effective February 15, 2021, the Plan Sponsor elected to terminate the Plan (see Notes 1, 5, 9 and 10), and the Plan administrator determined liquidation was imminent. Accordingly, the accompanying statement of net assets available for benefits as of December 31, 2021 and the statement of changes in net assets available for benefits for the year ended December 31, 2021 are prepared on the liquidation basis of accounting and the statement of net assets available for benefits as of December 31, 2020 and the statement of changes in net assets available for benefits for the year ended December 31, 2020 are prepared on the accrual basis of accounting.

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

Adjustment to the Liquidation Basis

Under the liquidation basis of accounting, an entity accrues costs and income that it expects to incur or earn through the end of its liquidation if and when it has a reasonable basis for the estimation. Adjustment to the liquidation basis can include estimated contributions, payments to participants upon liquidation, fees that will be incurred, interest expected to be earned on interest-bearing investments held as of the statement of net assets date as a result of the Plan's termination, as well as estimated premiums paid or refunds from insurance carriers for the provision of benefits, legal fees, actuary fees, and audit fees. Based upon the information and events described in Note 1, the Plan has recorded in the statement of net assets available for benefits as of December 31, 2021 (in liquidation) and the statement of changes in net assets available for benefits for the year ended December 31, 2021 (in liquidation), the estimated effects of the Plan termination and the settlement through liquidation. As a result, certain amounts such as interest, benefits paid to insurance carrier for the provision of benefits, and transfer to Plan sponsor reported in the accompanying financial statements are different than those reported in the Form 5500, (see Note 10).

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 Pension Committee determines the Plan's valuation policies utilizing information provided by the Plan's investment advisors, trustee and custodian. See Note 4 for discussion of fair value measurements.

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

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Plan Expenses

The Plan's expenses are paid either by the Plan or by the Company, as provided in the Plan document. Expenses that are paid by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. In addition, certain investment related expenses are included in the net appreciation (depreciation) in fair value of investments in the accompanying statements of changes in net assets available for benefits.

3. Information Certified by a Qualified Institution

The Plan administrator having determined that it is permissible in the circumstances elected to have the audits of the Plan performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the following information included in the accompanying financial statements and ERISA-required supplemental schedule of assets (held at end of year), and schedule of reportable transactions, was obtained or derived from information obtained by the Plan administrator and certified as complete and accurate by Wells Fargo Bank, N.A., a qualified institution, in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA:

- Investments, at fair value in the amounts of \$65,149 and cash on deposit of \$40, as shown in the statement of net assets available for benefits (in liquidation) as of December 31, 2021.
- Investments, at fair value in the amounts of \$240,478,918 and accrued income of \$750 as shown in the statement of net assets available for benefits (ongoing) as of December 31, 2020.

AAA Mid-Atlantic Defined Benefit Pension Plan

Notes to Financial Statements

As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

- Interest of \$29,888 and net depreciation in fair value of investments of \$(5,726,523) as shown in the statement of changes in net assets available for benefits (in liquidation) for the year ended December 31, 2021.
- Interest of \$31,630, net appreciation in fair value of investments of \$32,296,010, and other income of \$876 as shown in the statement of changes in net assets available for benefits (ongoing) for the year ended December 31, 2020.
- The information for all collective investment trusts listed in the schedule of assets (held at end of year) as of December 31, 2021 and the schedule of reportable transactions for the year ended December 31, 2021 as shown in the ERISA-required supplemental schedules.

4. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

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

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

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used as of December 31, 2021 and 2020.

<i>Collective investment trusts:</i>	Valued at the NAV of units held. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the collective investment trust less its liabilities. This practical expedient is not used when it is determined to be probable that the collective investment trust will sell the investment for an amount different than the reported NAV.
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<i>Interest-bearing cash:</i>	The carrying value of interest-bearing cash approximates fair value as maturities are less than three months and/or include money market funds that are based on quoted prices and are actively traded.
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The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments, at fair value:				
Collective investment trust (*)	\$ 65,149	\$ -	\$ -	\$ -
Total	<u>\$ 65,149</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments, at fair value:				
Collective investment trust (*)	\$ 240,478,918	\$ -	\$ -	\$ -
Interest-bearing cash	55,968	55,968	-	-
Total	<u>\$ 240,534,886</u>	<u>\$ 4,740,679</u>	<u>\$ -</u>	<u>\$ -</u>

*In accordance with fair value measurement guidance, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented as investments in the statements of net assets available for benefits.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Plan evaluates the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the periods ended December 31, 2021 and December 31, 2020, there were no transfers in or out of levels 1, 2, or 3.

The following table sets forth additional disclosures for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent) as of December 31, 2021 and 2020.

<u>Investment Type</u>	<u>Fair Value, as of December 31</u>		<u>Unfunded</u>	<u>Redemption</u>	<u>Redemption</u>
	<u>2021</u>	<u>2020</u>	<u>Commitments</u>	<u>Frequency</u>	<u>Notice Period</u>
Collective investment trusts	\$ 65,149	\$240,478,918	\$ -	Daily	Daily

The Plan invests in collective investment trusts that invest in short-term investments, fixed income securities and equity securities. The objective of the collective investment trusts invested in short-term investments is to preserve principal while maximizing current income on cash reserves to the extent consistent with principal preservation and maintenance of liquidity. The objective of the collective investment trusts invested in fixed income is to provide investment results that approximate the overall performance of certain bond indices, and to provide a predictable rate of return while preserving the safety of capital and minimizing market risk. The objective of the collective investment trusts invested in equity investments is to approximate the overall performance of certain domestic, international and emerging market indices. These collective investment trusts are redeemable at net asset value under agreements with the underlying funds. However, it is possible that these redemption rights may be restricted by the collective investment trusts in the future in accordance with underlying fund agreements. Due to the nature of the investments held by the collective investment trusts, changes in market conditions and the economic environment may significantly impact the net asset value of the collective investment trusts, and consequently, the fair value of the Plan's interest in the collective investment trusts. Furthermore, changes in the

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

liquidity provisions of the collective investment trusts may significantly impact the fair value of the Plan's interest in the collective investment trusts.

5. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' years of service on the date the benefit information is presented (the valuation date). Benefits payable under all circumstances (e.g. retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to employee service rendered prior to the valuation date.

As described in Note 1, and further detailed in the Plan document, the Plan was frozen to new participants effective September 1, 2004 and, effective July 31, 2018, the Plan was amended to cease accruals of additional benefits for future services and compensation for the remaining active participants in the Plan. As a result, no new participants have been allowed to enter the Plan after September 1, 2004; and no more credited service has accrued for participants after July 31, 2018. The present value of a participant's accrued benefit as of the valuation date assumes the participant will earn no more credited service and will receive no future salary.

The actuarial present value of accumulated plan benefits is determined by the Plan's independent actuary and is that amount which results from applying actuarial assumptions to adjust the accumulated plan benefits earned by participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of January 1, 2021 is as follows:

	2021
Vested Benefits	
Participants currently receiving benefits	\$ 153,879,018
Active and terminated vested participants	93,237,933
Total vested benefits	<u>247,116,951</u>
Nonvested benefits	<u>-</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 247,116,951</u>

The changes in the actuarial present value of accumulated plan benefits for the year ended January 1, 2021 are as follows:

	2021
Actuarial present value of accumulated plan benefits, beginning of period	\$ 261,131,300
Increase (decrease) during the year attributed to:	
Decrease in the discount period	6,332,684
Benefits accumulated and actuarial (gains)/losses	(1,516,620)
Benefits paid	(23,613,697)
Assumption changes	4,783,284
Net increase (decrease)	<u>\$ (14,014,349)</u>
Actuarial present value of accumulated plan benefits, end of period	<u>\$ 247,116,951</u>

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

The significant methods and assumptions used to determine the actuarial present value of accumulated plan benefits as of January 1, 2021 are as follows:

	2021
Mortality	PRI-2012 Amount Weight Table with projection scale MP-2020
Discount Rate	2.28%
Weighted Average Retirement Age	Age 65

The assumption changes from January 1, 2020 to January 1, 2021 include changing the mortality tables from RP-2014 Total Dataset Mortality adjusted backward to 2006 and projected with Scale MP-2020 as of January 1, 2020 to PRI-2012 Amount Weight Table with projection scale MP-2020 as of January 1, 2021, and updating the discount rate from 2.55% as of January 1, 2020 to 2.28% as of January 1, 2021.

The foregoing assumptions are based on the presumption that the Plan will continue. As detailed in Notes 1, 2, 9 and 10 to the financial statements, the Plan's sponsor terminated the Plan effective February 15, 2021, which indicates that the Plan is not a going concern.

As of December 31, 2021, the remaining accumulated plan benefits under the liquidation basis was estimated to be \$0 (see Note 1). The change from the actuarial present value of accumulated plan benefits as of January 1, 2021, and the actual payment of benefits during the year ended December 31, 2021, is a result of the Plan being terminated during 2021 resulting in different IRS mortality tables and discount rates being utilized from those utilized on an ongoing basis. Specifically, the mortality tables and discount rates used for the termination calculations were based on those prescribed by the IRS and the Plan document for lump sum forms of payment, and those utilized by the insurance contract for the annuity purchase.

6. Tax Status

The Plan received a favorable final determination letter from the Internal Revenue Service ("IRS") dated December 14, 2021, stating that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan administrator believes that the Plan was designed and operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for plan years prior to 2018.

7. Risks and Uncertainties

The Plan provides for various investment options to its participants. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investments securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

AAA Mid-Atlantic Defined Benefit Pension Plan
Notes to Financial Statements
As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)

Plan contributions are made, and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

8. Related Party and Party-In-Interest Transactions

Certain plan investments, including collective investment trusts, mutual funds, interest bearing cash and money market funds, are managed by Wells Fargo Bank, N.A., (the “Custodian”), PNC Bank, Discover and the Vanguard Group, Inc. The Plan’s benefit payment services are handled Vanguard Fiduciary Trust Company. These transactions qualify as party-in-interest transactions. These transactions are not, however, considered prohibited transactions under ERISA regulations. Fees for these services are paid by the Company.

9. Plan Amendments

During 2020, the Plan was amended to, among other matters:

- to provide a lump sum election window allowing participants who terminated employment with vested accrued benefits prior to August 1, 2020 and had not reached their normal retirement dates prior to September 15, 2020, to elect to receive their accrued benefits in the form of a cash lump sum or an immediate annuity in the normal form or any of the alternate forms of distribution available under the Plan, commencing as of December 1, 2020;
- to provide a similar lump sum election window for surviving spouses who had not commenced payment prior to September 15, 2020;
- to terminate the Plan effective February 15, 2021;
- To allow all participants and surviving spouses who have not commenced payment under the Plan as, the date of Plan termination to elect, during the time prescribed by the Plan Administrator following the Plan termination, to receive their accrued benefits in the form of a cash lump sum or immediate annuity in the normal form or any of the alternate forms of distribution available under the Plan;
- to comply with section 401(a)(9) of the Internal Revenue Code, as amended by the SECURE Act provisions; and
- to clarify the use of Plan assets to pay reasonable Plan administrative expenses.

10. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets per the financial statements to the net assets available for benefits as of December 31, 2021 (in liquidation) and 2020 (ongoing) per the financial statements to the net assets available per the Form 5500:

	<u>2021</u> <u>(in liquidation)</u>	<u>2020</u> <u>(ongoing)</u>
Net assets per the financial statements	\$ -	\$ 252,186,444
Income earned in liquidation	(17,769)	-
Refund from insurance company in liquidation	(1,670,700)	-
Expenses paid in liquidation	7,100	-
Payment to insurance carrier in liquidation	95,491	-
Transfer to Plan sponsor at liquidation	1,651,067	-
Net assets available for benefits per the Form 5500	<u>\$ 65,189</u>	<u>\$ 252,186,444</u>

AAA Mid-Atlantic Defined Benefit Pension Plan**Notes to Financial Statements****As of and for the Years Ended December 31, 2021 (In Liquidation) and 2020 (Ongoing)**

The following is a reconciliation of the changes in net assets available for benefits for the years ended December 31, 2021 (in liquidation) and 2020 (ongoing) per the financial statements to the net income (loss) per the Form 5500:

	<u>2021</u> <u>(in liquidation)</u>	<u>2020</u> <u>(ongoing)</u>
Net increase (decrease) in changes in net assets per the financial statements	\$ (250,535,377)	\$ 19,092,550
Income earned in liquidation	(17,769)	-
Refund from insurance company in liquidation	(1,670,700)	-
Expenses paid in liquidation	7,100	-
Payment to insurance carrier in liquidation	95,491	-
Net income (loss) per the Form 5500	<u>\$ (252,121,255)</u>	<u>\$ 19,092,550</u>

11. Subsequent Events

Subsequent to December 31, 2021, Principal Custody Solutions replaced Wells Fargo Bank, N.A. as custodian of the Plan.

The Plan has evaluated subsequent events through October 12, 2022, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

AAA Mid-Atlantic Defined Benefit Pension Plan
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
As of December 31, 2021

EIN 23-0758010 Plan #001

(a)	(b) Identity of issue, borrower, lessor, or similar party	Shares/ Unit	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
Collective investment trusts:					
*	Wells Fargo	65,149	Blackrock Short-Term Investment Fund	\$ 65,149	\$ 65,149
	Total collective investment trusts			<u>65,149</u>	<u>65,149</u>
				<u>\$ 65,149</u>	<u>\$ 65,149</u>

*: Party-in-interest

The information in this schedule has been derived from information certified as to its completeness and accuracy by Wells Fargo Bank, N.A., a qualified institution.

AAA Mid-Atlantic Defined Benefit Pension Plan
Schedule H, Line 4(j) – Schedule of Reportable Transactions
For the Year Ended December 31, 2021

EIN: 23-0758010 Plan #001

<u>Description of Assets</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Cost of Asset</u>	<u>Current Value of Asset on Transaction Date</u>	<u>Net Gain (Loss)</u>
<u>Category (i) – Single Transactions in a Security Issue Aggregating 5% of Plan Assets:</u>					
* Wells Fargo BlackRock Short-Term Investment Fund	\$ 25,400,390	\$ -	\$ 25,400,390	\$ 25,400,390	\$ -
* Wells Fargo BlackRock Short-Term Investment Fund	14,500,000	-	14,500,000	14,500,000	-
* Wells Fargo BlackRock Short-Term Investment Fund	-	47,346,470	47,346,470	47,346,470	-
* Wells Fargo BlackRock Short-Term Investment Fund	167,707,824	-	167,707,824	167,707,824	-
* Wells Fargo BlackRock Short-Term Investment Fund	-	176,760,724	176,760,724	176,760,724	-
* Wells Fargo Liability Driven Solution CIT II	-	16,963,661	13,455,942	16,963,661	3,507,719
* Wells Fargo Liability Driven Solution CIT II	-	23,887,430	19,312,250	23,887,430	4,575,180
* Wells Fargo Liability Driven Solution CIT II	-	14,500,000	12,204,814	14,500,000	2,295,186
* Wells Fargo Liability Driven Solution CIT II	-	60,000,000	47,251,333	60,000,000	12,748,667
* Wells Fargo Liability Driven Solution CIT II	-	34,813,233	27,184,952	34,813,233	7,628,281
* Wells Fargo Liability Driven Solution CIT II	25,552,109	-	25,552,109	25,552,109	-
* Wells Fargo Liability Driven Solution CIT II	56,000,000	-	56,000,000	56,000,000	-
* Wells Fargo Liability Driven Solution CIT II	-	132,894,591	124,810,548	132,894,591	8,084,043
<u>Category (iii) – Series of transactions in excess of 5% of plan assets</u>					
* Wells Fargo BlackRock Short-Term Investment Fund					
26 Purchases	\$ 242,033,974	\$ -	\$ 242,033,974	\$ 242,033,974	\$ -
14 Sales	-	245,759,029	245,759,029	245,759,029	-
* Wells Fargo Liability Driven Solution CIT I					
2 Purchases	81,552,109	-	81,552,109	81,552,109	-
5 Sales	-	149,506,991	139,671,221	149,506,991	9,835,770
* Wells Fargo Liability Driven Solution CIT II					
1 Purchase	3,180,371	-	3,180,371	3,180,371	-
8 Sales	-	163,339,714	130,346,049	163,339,714	32,993,665

* Denotes party-in-interest

There were no category (iii) or (iv) reportable transactions during the year ended December 31, 2021.
Columns for "Lease Rental" and "Expense Incurred with Transaction" are not applicable.

The information in this schedule has been certified as to its completeness and accuracy by Wells Fargo Bank, N.A., a qualified institution.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

File as an attachment to Form 5500 or 5500-SF.

OMB No. 1210-0110

2021This Form is Open to Public
Inspection

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

Round off amounts to nearest dollar.

Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan

AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN

B Three-digit

plan number (PN)

001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

AAA CLUB ALLIANCE, INC.

D Employer Identification Number (EIN)

23-0758010

E Type of plan:☒ Single☐ Multiple-A☐ Multiple-B**F Prior year plan size:**☐ 100 or fewer☐ 101-500☒ More than 500**Part I Basic Information**

1 Enter the valuation date: Month 1 Day 1 Year 2021

2 Assets:

a Market value

2a

251,799,722

b Actuarial value

2b

251,799,722

3 Funding target/participant count breakdown(1) Number of
participants(2) Vested Funding
Target(3) Total Funding
Target

a For retired participants and beneficiaries receiving payment

1,050

123,834,066

123,834,066

b For terminated vested participants

341

23,805,628

23,805,628

c For active participants

212

33,157,093

33,157,093

d Total

1,603

180,796,787

180,796,787

4 If the plan is in at-risk status, check the box and complete lines (a) and (b).

a Funding target disregarding prescribed at-risk assumptions

4a

b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor

4b

5 Effective interest rate

5

4.93 %

6 Target normal cost

a Present value of current plan year accruals

6a

0

b Expected plan-related expenses

6b

0

c Total (line 6a + line 6b)

6c

0

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Signature of actuary

8/29/22

Date

STEPHEN A. CATONE, ASA

Type or print name of actuary

20-05357

Most recent enrollment number

Korn Ferry, Inc.

Firm name

(215) 861-2333

Telephone number (including area code)

1650 Arch St, Suite 2300

PHILADELPHIA

PA 19103-2029

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

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

Schedule SB (Form 5500) 2021
v. 210624

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	8,325,083	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8)	8,325,083	0
10 Interest on line 9 using prior year's actual return of <u>14.55%</u>	1211300	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		9723171
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>9.37%</u>		522134
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		10245305
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	9,536,383	0

Part III Funding Percentages

14 Funding target attainment percentage	14	133.99%
15 Adjusted funding target attainment percentage	15	133.99%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	121.99%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	18(c)	

19 Discounted employer contributions – see Instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No	
c If line 20a is "Yes," see Instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 3.32 %	2nd segment: 4.79 %	3rd segment: 5.47 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 0
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c)	31a	0	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

EIN: 23-0758010

Years of Credited Service															
Attained Age	0 - 4		5 - 9		10 - 14		15 - 19		20 - 24		25 - 29		30 +		TOTAL
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	
Under 25	0		0		0		0		0		0		0		0
25-29	0		0		0		0		0		0		0		0
30-34	0		0		0		0		0		0		0		0
35-39	0		0		0		2				1		0		3
40-44	0		0		0		0		9		10		0		19
45-49	0		0		0		0		12		15		8		35
50-54	0		0		0		0		12		13		10		38
55-59	0		0		0		0		9		14		16		52
60-64	0		0		0		0		15		10		10		44
65+	0		0		0		0		9		6		3		21
TOTAL	0		0		0		0		68		69		47		212

Shortfall Amortization Calculation

Shortfall Amortization Charges for 2021

Schedule C shows the Shortfall Amortization Charge (SAC), which is the Funding Shortfall (FS) amortized over a period of seven years.

To determine the Plan Funding Percentage for the Shortfall Amortization Base Exemption, plan assets are reduced by the Prefunding Balance, as shown below.

$$\begin{aligned} & (\text{Assets} - \text{Prefunding Balance}) / \text{Funding Target} \\ & = \\ & (251,799,722 - 0) / 180,796,787 = 139.27\% \end{aligned}$$

Since the funding percentage of 139.27% (also shown in Schedule F, #6) is greater than 100% for plan year 2021, a SAC is not needed for 2021.

Amortization Schedule

None.

Summary of Plan Provisions

1. Type of Plan

The Plan is a non-contributory, defined benefit plan.

2. Effective Date

The Plan became effective January 1, 1950.

3. Eligibility for Participation

Attainment of age 21 and one Year of Employment. Effective in 2005, new hires are not eligible to enter the Plan.

4. Definitions

- (a) **Plan Year:** A Plan Year is a 12-month period beginning on January 1 and ending on December 31.
- (b) **Hours of Service:** An hour for which an employee is paid, or entitled to payment for the performance of duties as well as any periods of vacation, holidays, sickness or disability.
- (c) **Year of Employment:** A 12-month period beginning on the employment commencement date during which the Employee completes at least 1,000 Hours of Service. If an Employee fails to complete 1,000 Hours of Service in the first 12-month period, a Year of Employment shall mean the first Plan Year in which 1,000 Hours of Service is completed.
- (d) **Continuous Service:** The completion of 1,000 Hours of Service in a Plan Year shall constitute one year of Continuous Service for determining the vested percentage under the Plan. No service is granted after July 31, 2018.
- (e) **Credited Service:** The completion of 1,000 Hours of Service in a Plan Year shall constitute one year of Credited Service subsequent to January 1, 1976. Prior to that date, completed years and months shall be used in calculating Credited Service. Credit shall be given in both the first and final Plan Years of employment for fractions of years completed. The denominator of said fraction shall be 12 and the numerator shall be the actual number of completed months in the Plan Year of reference. No service is granted after July 31, 2018.
- (f) **Cancellation and Restoration of Credits:** Fewer than 500 Hours of Service in a Plan Year constitutes a one-year break in service for purposes of vesting and benefit accrual. Vesting and benefit years and the Accrued Benefit will be restored (a) if the Participant completes one year of Credited Service following re-employment and (b) if the Participant's previous period of service exceeds his or her period of absence.
- (g) **Earnings:** Annual earnings including bonuses and overtime not in excess of the annual 401(a)17 limit for each year.
- (h) **Final Average Annual Earnings:** The Participant's earnings received in the highest five consecutive twelve month periods of service. NOTE: Final Average Annual Earnings are frozen at December 31, 2009 for benefits accrued prior to December 31, 2009 and frozen at July 31, 2018 for benefits accrued prior to December 31, 2009.

Summary of Plan Provisions (continued)

4. Definitions (cont'd)

- (i) **Covered Compensation:** The average of the taxable wage bases in effect for each year during the 35-year period ending with the year the Participant attains Social Security Retirement Age, assuming no increases in such wage base for years after the current year and before the Participant actually attains Social Security Retirement Age.

5. Retirement Benefits

Normal Retirement

- **Normal Retirement Date.** The first day of the month coincident with or next following the later of a Participant's 65th birthday or 5 years of Continuous Service.
- **Normal Retirement Benefit.**
 - **For service prior to January 1, 2010:** 1.5% of Final Average Annual Earnings at December 31, 2009 plus .5% of Final Average Annual Earnings at December 31, 2009 in excess of the Participant's Covered Compensation for 2009, the sum multiplied by the Participant's Credited Service at December 31, 2009 not in excess of 35 years; plus 2% of Final Average Annual Earnings times Credited Service in excess of 35 years.
 - **For service after December 31, 2009:** 1.0% of Final Average Annual Earnings plus .5% of Final Average Annual Earnings in excess of the Participant's Covered Compensation, the sum multiplied by the Participant's Credited Service after January 1, 2010, not in excess of 35 total years; plus 1.5% of Final Average Annual Earnings times Credited Service after January 1, 2010. For purposes of service after December 31, 2009, Final Average Annual Earnings only uses earnings after December 31, 2009.

The total benefit shall not exceed 60% of Final Average Annual Earnings.

All benefits became frozen at July 31, 2018.

Former participants of the following groups shall have their plan benefits calculated in accordance with their respective merger/acquisition agreements:

Automobile Club of Virginia: For service prior to December 31, 1994, benefits are calculated under, and paid from the Automobile Club of Virginia Retirement Plan. Effective in 1999, the Virginia Plan was merged into this plan. Service beginning as of January 1, 1995 shall be used to calculate a benefit under the AAA plan formula. Determination of vesting status shall be based on original date of hire.

Automobile Club of Maryland: For service prior to December 31, 1992, benefits are calculated under, and paid from the Automobile Club of Maryland Plan. Effective in 1993, the Maryland Plan was merged into this plan. An annual cost of living factor, no greater than 3%, is applied to the frozen Maryland benefit while employed at AAA. This COLA was frozen at July 31, 2018. Service beginning as of January 1, 1993 shall be used to calculate a benefit under the AAA plan formula. Determination of vesting status shall be based on original date of hire.

Summary of Plan Provisions (continued)

5. Retirement Benefits (cont'd)

Anthracite Motor Club: Service beginning as of January 1, 1995 shall be used to calculate a benefit under the AAA plan formula. Determination of vesting status shall be based on original date of hire.

The Valley Automobile Club, Inc.: Service beginning as of January 1, 1997 shall be used to calculate a benefit under the AAA plan formula. Determination of vesting status shall be based on original date of hire.

Potomac Division: Service beginning as of January 1, 1998 shall be used to calculate a benefit under the AAA plan formula. Determination of vesting status shall be based on original date of hire.

South Jersey Sales Group: Service beginning as of January 1, 1998 shall be used to calculate a benefit under the AAA plan formula. Determination of vesting status shall be based on original date of hire.

AAA Central-West Jersey, Inc.: Benefits are calculated under the CWJ plan formula for service prior to December 31, 2001. An annual cost of living factor, no greater than 3%, is applied to the CWJ portion of the benefit while employed at AAA. This COLA was frozen at July 31, 2018. Service beginning as of January 1, 2002 shall be used to calculate a benefit under the AAA plan formula.

Early Retirement

- **Early Retirement Date:** The first day of any month after the Participant has both attained age 55 and completed at least 5 years of Continuous Service.
- **Early Retirement Benefit:** Calculated in the same manner as the Normal Retirement Benefit giving credit for service to the Early Retirement Date and reduced by 1/3 of 1% for each month by which the Early Retirement Date precedes the Normal Retirement Date.

Late Retirement

- **Late Retirement Date:** The first day of any month after the Participant's Normal Retirement Date.
- **Late Retirement Benefit:** The benefit accrued on the actual retirement date, considering earnings and service to that date.

6. Vested Benefit

- **Eligibility:** Completion of 5 or more years of Continuous Service.
- **Vested Benefit:** Calculated in the same manner as the Normal Retirement Benefit giving credit for service to the date of reference. If the value of the Vested Benefit is less than \$5,000, the Participant will receive a lump sum amount in lieu of a deferred annuity.

Summary of Plan Provisions (continued)

7. Death Benefits

Pre-Retirement Spouse's Benefit

- ***Eligibility:*** The death of a married Participant in active employment who has completed 5 years of Continuous Service or the death of a former married Participant entitled to a deferred Vested Benefit.
- ***Spouse's Benefit:*** An immediate benefit payable to the spouse calculated as if the Participant had terminated immediately before death, survived to the earliest retirement age, and retired on that date electing a joint and 50% survivor annuity with the spouse as the contingent annuitant.

Post-Retirement Spouse's Benefit: None, except as provided by the election of an optional form of payment.

8. Disability Benefit

- ***Eligibility:*** Attainment of age 40 and the completion of 10 years of Continuous Service.
- ***Disability Benefit:*** Calculated in the same manner as the Normal Retirement Benefit assuming that annual earnings shall continue in the same amount as paid for the 12 months immediately preceding the date from which a 6-month waiting period is determined, and allowing Credited Service to continue accruing during the time of the disability.

9. Form of Benefit Payment

Married Participant: If a Participant is married at the time of retirement, the pension will be paid in the form of an actuarially reduced joint and survivor monthly annuity with 50% of the payment continuing to the spouse for life, if surviving at the Participant's death.

Unmarried Participant: If a Participant is unmarried at the time of retirement, the pension will be paid in the form of a single life annuity, with payments to be made in equal monthly installments until the Participant's death.

10. Optional Payment Forms

At any time prior to the commencement of benefit payments, a Participant may elect to receive pension payments in some other form, which is the actuarial equivalent of the Plans normal form of benefit.

Participants of the former Maryland plan may be eligible for a lump sum payment of their benefit, even if the amount is in excess of \$5,000. A Maryland participant may receive the Maryland portion of their benefit in lump sum form, as long as they meet the eligibility for that benefit under the old Maryland plan.

All CWJ participants are eligible to receive their CWJ accrued benefit in a lump sum, even if it is over \$5,000.

In 2015, the Plan was amended to allow for vested termination participants to take their benefit in a lump sum, assuming the lump sum was less than \$40,000. This became an ongoing feature of the Plan. This threshold was increased to \$100,000 in 2017.

Summary of Plan Provisions (continued)

11. Employee Mandatory Contributions

Participants of the former Maryland plan who die or terminate prior to becoming vested and have made contributions to the plan shall have all of the contributions refunded with interest. Any retirement pension calculated under the Maryland benefit formula cannot be less than the Accrued Benefit derived from Employee Mandatory Contributions.

12. Virginia Merger

Effective October 31, 1998, the assets and liabilities from the Automobile Club of Virginia Retirement Plan were merged into the Plan.

13. Central-West Jersey Merger

Effective December 31, 2001, the assets and liabilities from the AAA Central-West Jersey, Inc. Pension Plan were merged into the Plan.

14. Pension Choice

Effective December 31, 2004, all participants had the option to move from this DB plan to a newly created DC plan. If a participant chose the DC plan, the participant's DB benefit became frozen at December 31, 2004 and the corresponding lump sum was transferred from this DB plan to the DC plan.

15. Plan Benefit Formula Change

Effective December 31, 2009, the benefit formula was modified as discussed in #5 of this Section.

16. KIC

Effective December 31, 2010, the KIC (Insurance) group was sold; all active participants became vested terminations.

17. ACP Transfer

Effective March 31, 2012, approximately 75 ACP members were transferred out; all active participants became vested terminations.

17. Lump Sum Window and Plan Termination

In 2020, the Plan was amended to provide for a lump sum window, where all vested terminated participants with lump sums greater than \$100,000 were allowed to opt for a one-time lump sum. Further, the plan terminated in 2021 with a Plan termination date of February 15, 2021.

Shortfall Amortization Calculation

Shortfall Amortization Charges for 2021

Schedule C shows the Shortfall Amortization Charge (SAC), which is the Funding Shortfall (FS) amortized over a period of seven years.

To determine the Plan Funding Percentage for the Shortfall Amortization Base Exemption, plan assets are reduced by the Prefunding Balance, as shown below.

(Assets – Prefunding Balance)/Funding Target

=

$(251,799,722 - 0) / 180,796,787 = 139.27\%$

Since the funding percentage of 139.27% (also shown in Schedule F, #6) is greater than 100% for plan year 2021, a SAC is not needed for 2021.

Amortization Schedule

None.

Actuarial Assumptions and Methods

Funding Assumptions and Methods

Funding Interest Rates

	2021		2020	
	24-month Average*	Constrained Rates**	24-month Average*	Constrained Rates**
Segment Rate 1	1.75%	3.32%	2.77%	3.64%
Segment Rate 2	3.04%	4.79%	3.83%	5.21%
Segment Rate 3	3.65%	5.47%	4.28%	5.94%
Effective Rate (EIR)	3.22%	4.93%	3.96%	5.37%

*used for maximum deductible contributions, 4010 reporting determination, and PBGC liability, if using the Alternative Method

**used for minimum funding and AFTAP purposes

PBGC Premium Funding Target Interest Rates

	2021	2020
Interest Rate Method	Alternative	Alternative
Segment Rate 1	1.75%	2.77%
Segment Rate 2	3.04%	3.83%
Segment Rate 3	3.65%	4.28%
Effective Rate (EIR)	3.22%	3.96%

For 2021, ACA used the Alternative Method interest rates for calculating the liability for PBGC purposes. The Standard Method uses 24-month averages (shown above). Since this method has been in effect for five years (since 2020), ACA could elect to switch to the Standard Method, which uses the spot rate for December 2020. For further details, see the definition of Premium Funding Target (PFT) in the Glossary.

Mortality

2021 IRS static, non-generational Mortality Table as described in Regulation 1.430(h)(3) projected by Scale MP-2019, to between 7 and 15 years beyond the year of the obligation, male and female, with separated rates for annuitants and non-annuitants, and applicable to years beginning in 2021.

Actuarial Assumptions and Methods (continued)

Funding Assumptions and Methods (continued)

Withdrawal

Withdrawal rates which vary by age were assumed. Sample rates are illustrated below:

<i>Age</i>	<i>Male</i>	<i>Female</i>
25	5.0%	10.0%
30	5.0	10.0
35	5.0	5.0
40	5.0	5.0
45	5.0	5.0
50	5.0	5.0
55	2.5	2.5
60	0.0	0.0

A loading factor based on service was applied to the above age-based rates. The factors are as illustrated below:

<i>Service</i>	<i>Factor</i>
1 year	2.00
2 years	1.50
3 years	1.25
4 years and later	1.05

Retirement

Retirement Rates for Active Employees:

<i>Age</i>	<i>Rate</i>	<i>Age</i>	<i>Rate</i>
60	10%	66	20%
61	15%	67	20%
62	40%	68	20%
63	20%	69	20%
64	20%	70	100%
65	50%		

Retirement for Terminated Vested Participants: Age 65

Optional Payment Form Election Percentage

Value of Lump Sum	Life Annuity	Joint & 50% Survivor Annuity	Lump Sum
Less than \$100,000	50%	0%	50%
Over \$100,000	65%	35%	0%

Disability

No disability rates were assumed.

Actuarial Assumptions and Methods (continued)

Funding Assumptions and Methods (continued)

Spouses

85% of the active participants were assumed to be married with wives three years younger than husbands.

Expenses

None assumed. Expenses were assumed to be paid directly by the employer.

Asset Valuation Method

Market Value

Cost Method

Unit Credit method in accordance with PPA

Actuarial Assumptions and Methods (continued)

Accounting Assumptions and Methods

Assumptions used for accounting purposes are the same as those used for funding except those described below:

Discount Rate

ASC 960

- 2021: 2.28%
- 2020: 2.55%

Asset Valuation Method

ASC 960: Market Value of Assets, including undiscounted value of receivable contributions

Cost Method

ASC 960: Unit Credit method

Salary Increases

No longer applicable since all participants are inactive.

Mortality

ASC 960: PRI-2012 Amount Weighted Mortality table and projected with Scale MP-2020

Changes in Assumptions and Methods Since Prior Valuation

For funding, interest rate and mortality assumptions were updated in accordance with PPA.

For ASC 960, the discount rate decreased from 2.55% to 2.28% and the mortality table was updated (RP-2014 with projection scale MP-2019 to PRI-2012 Amount Weighted Table with projection scale MP-2020).

Shortfall Amortization Calculation

Shortfall Amortization Charges for 2021

Schedule C shows the Shortfall Amortization Charge (SAC), which is the Funding Shortfall (FS) amortized over a period of seven years.

To determine the Plan Funding Percentage for the Shortfall Amortization Base Exemption, plan assets are reduced by the Prefunding Balance, as shown below.

$$\begin{aligned} & (\text{Assets} - \text{Prefunding Balance}) / \text{Funding Target} \\ & = \\ & (251,799,722 - 0) / 180,796,787 = 139.27\% \end{aligned}$$

Since the funding percentage of 139.27% (also shown in Schedule F, #6) is greater than 100% for plan year 2021, a SAC is not needed for 2021.

Amortization Schedule

None.

AAA MID-ATLANTIC DEFINED BENEFIT PENSION PLAN

EIN: 23-0758010

PN: 001

2021 Schedule B (Form 5500) - Line 26 - Schedule of Active Participant Data

Years of Credited Service															
Attained Age	0 - 4		5 - 9		10 - 14		15 - 19		20 - 24		25 - 29		30 +		TOTAL
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	
Under 25	0		0		0		0		0		0		0		0
25-29	0		0		0		0		0		0		0		0
30-34	0		0		0		0		0		0		0		0
35-39	0		0		0		2		1		0		0		3
40-44	0		0		0		9		10		0		0		19
45-49	0		0		0		12		15		8		0		35
50-54	0		0		0		12		13		10		3		38
55-59	0		0		0		9		14		16		13		52
60-64	0		0		0		15		10		10		9		44
65+	0		0		0		9		6		3		3		21
TOTAL	0		0		0		68		69		47		28		212

Actuarial Assumptions and Methods

Funding Assumptions and Methods

Funding Interest Rates

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	24-month Average*	Constrained Rates**	24-month Average*	Constrained Rates**
Segment Rate 1	1.75%	3.32%	2.77%	3.64%
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Actuarial Assumptions and Methods (continued)

Funding Assumptions and Methods (continued)

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Withdrawal rates which vary by age were assumed. Sample rates are illustrated below:

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50	5.0	5.0
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A loading factor based on service was applied to the above age-based rates. The factors are as illustrated below:

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3 years	1.25
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Retirement Rates for Active Employees:

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63	20%	69	20%
64	20%	70	100%
65	50%		

Retirement for Terminated Vested Participants: Age 65

Optional Payment Form Election Percentage

Value of Lump Sum	Life Annuity	Joint & 50% Survivor Annuity	Lump Sum
Less than \$100,000	50%	0%	50%
Over \$100,000	65%	35%	0%

Disability

No disability rates were assumed.

Actuarial Assumptions and Methods (continued)

Funding Assumptions and Methods (continued)

Spouses

85% of the active participants were assumed to be married with wives three years younger than husbands.

Expenses

None assumed. Expenses were assumed to be paid directly by the employer.

Asset Valuation Method

Market Value

Cost Method

Unit Credit method in accordance with PPA

Actuarial Assumptions and Methods (continued)

Accounting Assumptions and Methods

Assumptions used for accounting purposes are the same as those used for funding except those described below:

Discount Rate

ASC 960

- 2021: 2.28%
- 2020: 2.55%

Asset Valuation Method

ASC 960: Market Value of Assets, including undiscounted value of receivable contributions

Cost Method

ASC 960: Unit Credit method

Salary Increases

No longer applicable since all participants are inactive.

Mortality

ASC 960: PRI-2012 Amount Weighted Mortality table and projected with Scale MP-2020

Changes in Assumptions and Methods Since Prior Valuation

For funding, interest rate and mortality assumptions were updated in accordance with PPA.

For ASC 960, the discount rate decreased from 2.55% to 2.28% and the mortality table was updated (RP-2014 with projection scale MP-2019 to PRI-2012 Amount Weighted Table with projection scale MP-2020).

Summary of Plan Provisions

1. Type of Plan

The Plan is a non-contributory, defined benefit plan.

2. Effective Date

The Plan became effective January 1, 1950.

3. Eligibility for Participation

Attainment of age 21 and one Year of Employment. Effective in 2005, new hires are not eligible to enter the Plan.

4. Definitions

- (a) **Plan Year:** A Plan Year is a 12-month period beginning on January 1 and ending on December 31.
- (b) **Hours of Service:** An hour for which an employee is paid, or entitled to payment for the performance of duties as well as any periods of vacation, holidays, sickness or disability.
- (c) **Year of Employment:** A 12-month period beginning on the employment commencement date during which the Employee completes at least 1,000 Hours of Service. If an Employee fails to complete 1,000 Hours of Service in the first 12-month period, a Year of Employment shall mean the first Plan Year in which 1,000 Hours of Service is completed.
- (d) **Continuous Service:** The completion of 1,000 Hours of Service in a Plan Year shall constitute one year of Continuous Service for determining the vested percentage under the Plan. No service is granted after July 31, 2018.
- (e) **Credited Service:** The completion of 1,000 Hours of Service in a Plan Year shall constitute one year of Credited Service subsequent to January 1, 1976. Prior to that date, completed years and months shall be used in calculating Credited Service. Credit shall be given in both the first and final Plan Years of employment for fractions of years completed. The denominator of said fraction shall be 12 and the numerator shall be the actual number of completed months in the Plan Year of reference. No service is granted after July 31, 2018.
- (f) **Cancellation and Restoration of Credits:** Fewer than 500 Hours of Service in a Plan Year constitutes a one-year break in service for purposes of vesting and benefit accrual. Vesting and benefit years and the Accrued Benefit will be restored (a) if the Participant completes one year of Credited Service following re-employment and (b) if the Participant's previous period of service exceeds his or her period of absence.
- (g) **Earnings:** Annual earnings including bonuses and overtime not in excess of the annual 401(a)17 limit for each year.
- (h) **Final Average Annual Earnings:** The Participant's earnings received in the highest five consecutive twelve month periods of service. NOTE: Final Average Annual Earnings are frozen at December 31, 2009 for benefits accrued prior to December 31, 2009 and frozen at July 31, 2018 for benefits accrued prior to December 31, 2009.

Summary of Plan Provisions (continued)

4. Definitions (cont'd)

- (i) **Covered Compensation:** The average of the taxable wage bases in effect for each year during the 35-year period ending with the year the Participant attains Social Security Retirement Age, assuming no increases in such wage base for years after the current year and before the Participant actually attains Social Security Retirement Age.

5. Retirement Benefits

Normal Retirement

- **Normal Retirement Date.** The first day of the month coincident with or next following the later of a Participant's 65th birthday or 5 years of Continuous Service.
- **Normal Retirement Benefit.**
 - **For service prior to January 1, 2010:** 1.5% of Final Average Annual Earnings at December 31, 2009 plus .5% of Final Average Annual Earnings at December 31, 2009 in excess of the Participant's Covered Compensation for 2009, the sum multiplied by the Participant's Credited Service at December 31, 2009 not in excess of 35 years; plus 2% of Final Average Annual Earnings times Credited Service in excess of 35 years.
 - **For service after December 31, 2009:** 1.0% of Final Average Annual Earnings plus .5% of Final Average Annual Earnings in excess of the Participant's Covered Compensation, the sum multiplied by the Participant's Credited Service after January 1, 2010, not in excess of 35 total years; plus 1.5% of Final Average Annual Earnings times Credited Service after January 1, 2010. For purposes of service after December 31, 2009, Final Average Annual Earnings only uses earnings after December 31, 2009.

The total benefit shall not exceed 60% of Final Average Annual Earnings.

All benefits became frozen at July 31, 2018.

Former participants of the following groups shall have their plan benefits calculated in accordance with their respective merger/acquisition agreements:

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Summary of Plan Provisions (continued)

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Early Retirement

- **Early Retirement Date:** The first day of any month after the Participant has both attained age 55 and completed at least 5 years of Continuous Service.
- **Early Retirement Benefit:** Calculated in the same manner as the Normal Retirement Benefit giving credit for service to the Early Retirement Date and reduced by 1/3 of 1% for each month by which the Early Retirement Date precedes the Normal Retirement Date.

Late Retirement

- **Late Retirement Date:** The first day of any month after the Participant's Normal Retirement Date.
- **Late Retirement Benefit:** The benefit accrued on the actual retirement date, considering earnings and service to that date.

6. Vested Benefit

- **Eligibility:** Completion of 5 or more years of Continuous Service.
- **Vested Benefit:** Calculated in the same manner as the Normal Retirement Benefit giving credit for service to the date of reference. If the value of the Vested Benefit is less than \$5,000, the Participant will receive a lump sum amount in lieu of a deferred annuity.

Summary of Plan Provisions (continued)

7. Death Benefits

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- ***Eligibility:*** The death of a married Participant in active employment who has completed 5 years of Continuous Service or the death of a former married Participant entitled to a deferred Vested Benefit.
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Schedule C shows the Shortfall Amortization Charge (SAC), which is the Funding Shortfall (FS) amortized over a period of seven years.

To determine the Plan Funding Percentage for the Shortfall Amortization Base Exemption, plan assets are reduced by the Prefunding Balance, as shown below.

$$\begin{aligned} & (\text{Assets} - \text{Prefunding Balance}) / \text{Funding Target} \\ & = \\ & (251,799,722 - 0) / 180,796,787 = 139.27\% \end{aligned}$$

Since the funding percentage of 139.27% (also shown in Schedule F, #6) is greater than 100% for plan year 2021, a SAC is not needed for 2021.

Amortization Schedule

None.

AAA Mid-Atlantic Defined Benefit Pension Plan
Schedule H, Line 4(i) – Schedule of Assets (Held at End of Year)
As of December 31, 2021

EIN 23-0758010 Plan #001

(a)	(b) Identity of issue, borrower, lessor, or similar party	Shares/ Unit	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
Collective investment trusts:					
*	Wells Fargo	65,149	Blackrock Short-Term Investment Fund	\$ 65,149	\$ 65,149
	Total collective investment trusts			<u>65,149</u>	<u>65,149</u>
				<u>\$ 65,149</u>	<u>\$ 65,149</u>

*: Party-in-interest

The information in this schedule has been derived from information certified as to its completeness and accuracy by Wells Fargo Bank, N.A., a qualified institution.

AAA Mid-Atlantic Defined Benefit Pension Plan
Schedule H, Line 4(j) – Schedule of Reportable Transactions
For the Year Ended December 31, 2021

EIN: 23-0758010 Plan #001

<u>Description of Assets</u>	<u>Purchase Price</u>	<u>Selling Price</u>	<u>Cost of Asset</u>	<u>Current Value of Asset on Transaction Date</u>	<u>Net Gain (Loss)</u>
<u>Category (i) – Single Transactions in a Security Issue Aggregating 5% of Plan Assets:</u>					
* Wells Fargo BlackRock Short-Term Investment Fund	\$ 25,400,390	\$ -	\$ 25,400,390	\$ 25,400,390	\$ -
* Wells Fargo BlackRock Short-Term Investment Fund	14,500,000	-	14,500,000	14,500,000	-
* Wells Fargo BlackRock Short-Term Investment Fund	-	47,346,470	47,346,470	47,346,470	-
* Wells Fargo BlackRock Short-Term Investment Fund	167,707,824	-	167,707,824	167,707,824	-
* Wells Fargo BlackRock Short-Term Investment Fund	-	176,760,724	176,760,724	176,760,724	-
* Wells Fargo Liability Driven Solution CIT II	-	16,963,661	13,455,942	16,963,661	3,507,719
* Wells Fargo Liability Driven Solution CIT II	-	23,887,430	19,312,250	23,887,430	4,575,180
* Wells Fargo Liability Driven Solution CIT II	-	14,500,000	12,204,814	14,500,000	2,295,186
* Wells Fargo Liability Driven Solution CIT II	-	60,000,000	47,251,333	60,000,000	12,748,667
* Wells Fargo Liability Driven Solution CIT II	-	34,813,233	27,184,952	34,813,233	7,628,281
* Wells Fargo Liability Driven Solution CIT II	25,552,109	-	25,552,109	25,552,109	-
* Wells Fargo Liability Driven Solution CIT II	56,000,000	-	56,000,000	56,000,000	-
* Wells Fargo Liability Driven Solution CIT II	-	132,894,591	124,810,548	132,894,591	8,084,043
<u>Category (iii) – Series of transactions in excess of 5% of plan assets</u>					
* Wells Fargo BlackRock Short-Term Investment Fund					
26 Purchases	\$ 242,033,974	\$ -	\$ 242,033,974	\$ 242,033,974	\$ -
14 Sales	-	245,759,029	245,759,029	245,759,029	-
* Wells Fargo Liability Driven Solution CIT I					
2 Purchases	81,552,109	-	81,552,109	81,552,109	-
5 Sales	-	149,506,991	139,671,221	149,506,991	9,835,770
* Wells Fargo Liability Driven Solution CIT II					
1 Purchase	3,180,371	-	3,180,371	3,180,371	-
8 Sales	-	163,339,714	130,346,049	163,339,714	32,993,665

* Denotes party-in-interest

There were no category (ii) or (iv) reportable transactions during the year ended December 31, 2021.
Columns for "Lease Rental" and "Expense Incurred with Transaction" are not applicable.

The information in this schedule has been certified as to its completeness and accuracy by Wells Fargo Bank, N.A., a qualified institution.