

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 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>POGGEMEYER DESIGN GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>09/01/2005</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>003</u>	1c Effective date of plan <u>09/01/2005</u>	
1b Three-digit plan number (PN) ▶	<u>003</u>				
1c Effective date of plan <u>09/01/2005</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>POGGEMEYER DESIGN GROUP, INC.</u> <u>1168 N. MAIN STREET</u> <u>BOWLING GREEN, OH 43402-1309</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>34-1056617</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>419-352-7537</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>541330</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>34-1056617</u>	2c Plan Sponsor's telephone number <u>419-352-7537</u>	2d Business code (see instructions) <u>541330</u>	
2b Employer Identification Number (EIN) <u>34-1056617</u>					
2c Plan Sponsor's telephone number <u>419-352-7537</u>					
2d Business code (see instructions) <u>541330</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2022	KATHY BILEK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	352
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	169
a(2) Total number of active participants at the end of the plan year		6a(2)	146
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	141
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	287
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	1
f Total. Add lines 6d and 6e		6f	288
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	288
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 20			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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 H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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		
A Name of plan POGEMEYER DESIGN GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 POGEMEYER DESIGN GROUP, INC.	D Employer Identification Number (EIN) 34-1056617	

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	6582779	773554
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	3897474	1623016
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(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	10480253	2396570

Liabilities

g Benefit claims payable	1g	1262	1262
h Operating payables	1h		
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1262	1262

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	10478991	2395308
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(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)	1591	
(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)		1591

(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)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		94743
d Total income. Add all income amounts in column (b) and enter total.....	2d		96334
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8180009	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		8180009
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)	8	
(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)		8
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		8180017
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-8083683
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: WILLIAM VAUGHAN COMPANY

(2) EIN: 34-1145015

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☒ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year 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 _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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

A Name of plan POGGEMEYER DESIGN GROUP, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 POGGEMEYER DESIGN GROUP, INC.	D Employer Identification Number (EIN) 34-1056617

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 85-3367341 34-1056617		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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Schedule R (Form 5500) 2021
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Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

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

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

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

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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

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

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

**POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

FINANCIAL STATEMENTS

Years Ended December 31, 2021 and 2020



WILLIAM VAUGHAN
C O M P A N Y

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INDEPENDENT AUDITOR'S REPORT

The Trustee
Poggemeyer Design Group, Inc. Employee Stock Ownership Plan
Bowling Green, Ohio

Opinion

We have audited the accompanying financial statements of the Poggemeyer Design Group, Inc. Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets in liquidation available for benefits as of December 31, 2021 and 2020, and the related statements of changes in net assets in liquidation available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets in liquidation available for benefits of the Poggemeyer Design Group, Inc. Employee Stock Ownership Plan as of December 31, 2021 and 2020, and the changes in its net assets in liquidation available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Financial Statements section of our report. We are required to be independent of the Poggemeyer Design Group, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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 Financial Statements

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 Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule H, line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.s

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

WILLIAM VAUGHAN COMPANY

A handwritten signature in cursive script that reads "William Vaughan Company".

Maumee, Ohio
October 13, 2022

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS
December 31, 2021 and 2020

	2021			2020		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
ASSETS						
Cash	\$ 773,554	\$ -	\$ 773,554	\$ 6,582,779	\$ -	\$ 6,582,779
Sales proceeds receivable, net of allowance of \$1,267,959 in 2021 and \$1,536,636 in 2020	1,608,844	-	1,608,844	3,897,309	-	3,897,309
Prepaid federal taxes	14,007	-	14,007	-	-	-
Receivable, other	165	-	165	165	-	165
Total assets	<u>2,396,570</u>	<u>-</u>	<u>2,396,570</u>	<u>10,480,253</u>	<u>-</u>	<u>10,480,253</u>
LIABILITIES						
Taxes withheld payable	1,262	-	1,262	1,262	-	1,262
Total liabilities	<u>1,262</u>	<u>-</u>	<u>1,262</u>	<u>1,262</u>	<u>-</u>	<u>1,262</u>
Net assets available for benefits	<u>\$ 2,395,308</u>	<u>\$ -</u>	<u>\$ 2,395,308</u>	<u>\$ 10,478,991</u>	<u>\$ -</u>	<u>\$ 10,478,991</u>

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF CHANGES IN NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS
Years Ended December 31, 2021 and 2020

	ADDITIONS					
	2021			2020		
	Allocated	Unallocated	Total	Allocated	Unallocated	Total
Escrow proceeds	\$ 94,743	\$ -	\$ 94,743	\$ -	\$ -	\$ -
Employer contributions	-	-	-	268,804	-	268,804
Net realized appreciation in fair value of investments	-	-	-	10,286,935	-	10,286,935
Dividends	-	-	-	1,539,698	-	1,539,698
Allocation of 373.269 shares of Sponsor Company common stock at fair value during 2020	-	-	-	229,547	-	229,547
Interest income	1,591	-	1,591	4,127	-	4,127
Total additions	<u>96,334</u>	<u>-</u>	<u>96,334</u>	<u>12,329,111</u>	<u>-</u>	<u>12,329,111</u>
DEDUCTIONS						
Benefits paid to participants	8,180,009	-	8,180,009	10,344,246	-	10,344,246
Allocation of 373.269 shares of Sponsor Company common stock at fair value during 2020	-	-	-	-	229,547	229,547
Interest expense	-	-	-	-	4,385	4,385
Professional fees	8	-	8	440	-	440
Total deductions	<u>8,180,017</u>	<u>-</u>	<u>8,180,017</u>	<u>10,344,686</u>	<u>233,932</u>	<u>10,578,618</u>
Net increase (decrease) in net assets in liquidation available for benefits	(8,083,683)	-	(8,083,683)	1,984,425	(233,932)	1,750,493
Net assets in liquidation available for benefits						
Beginning of year	<u>10,478,991</u>	<u>-</u>	<u>10,478,991</u>	<u>8,494,566</u>	<u>233,932</u>	<u>8,728,498</u>
End of year	<u>\$ 2,395,308</u>	<u>\$ -</u>	<u>\$ 2,395,308</u>	<u>\$ 10,478,991</u>	<u>\$ -</u>	<u>\$ 10,478,991</u>

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

Note 1 – General Information and Plan Termination

Poggemeyer Design Group, Inc. (the Company and Sponsor) established the Poggemeyer Design Group, Inc. Employee Stock Ownership Plan (the Plan) effective as of September 1, 2005. The Plan operated as a leveraged employee stock ownership plan (ESOP), was designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (Code), and was subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan entered into a trust agreement such that the Plan was managed by a committee (the trustees) appointed by the Company's Board of Directors until June 2, 2020. Effective June 2, 2020, the Company entered into an agreement with SCJ Consulting Services, LLC (SCJ), to act as Trustee of the ESOP Trust.

Effective October 13, 2020 (the Termination Date), the Company and the Plan Trustee entered into a stock purchase agreement with Kleinfelder Group, Inc. and Kleinfelder Holdings, LLC (Kleinfelder) for the sale of all issued and outstanding equity interests of the Company, which were approximately 70% owned by the Plan. As a result, Kleinfelder purchased the 7,350,371 shares of Company common stock held by the Plan for a tentative sale price of \$19,772,832, of which \$15,319,886 was paid to the Plan in October 2020, and the remaining \$4,452,946 was held back and placed into escrow (the Escrow Proceeds), as stipulated under the Stock Purchase Agreement.

During 2021, the sales price increased the Escrow Proceeds by approximately \$981,000, and approximately \$150,000 was disbursed from the Escrow Proceeds, pursuant to the stock purchase agreement. Approximately \$2,400,000 of the Escrow Proceeds were received by the Plan, and the Plan recorded a receivable of \$1,608,844 based on management's best estimate of the amount of Escrow Proceeds still to be realized. This estimate is based on several unknown factors including how much of the escrow amounts will be received by the Plan and when those amounts will be received. No Escrow Proceeds were received by the Plan in 2020. The final settlement date and release of Escrow Proceeds is expected to occur in 2023. Escrow Proceeds received by the Plan are allocated to the participant accounts based on the shares of Company common stock held by each respective participant at the time of the acquisition. The Plan will continue to be administered in accordance with the terms of the Plan document until such time that all Plan assets have been received and distributed to participants, and the Plan ceases to exist.

Participants are immediately vested in their accounts on the Termination Date. Distributions related to the Plan termination began in 2020 and are ongoing as described in Note 1 and Note 2.

On the Termination Date, the Plan was amended as follows: (A) to provide that the ESOP is no longer an "employee stock ownership plan" within the meaning of Section 4975 of the Code; (B) to provide that the ESOP trust is no longer to be primarily invested in securities; (C) to permit distributions to participants employed as of the date of the ESOP termination of up to eighty percent (80%) of their ESOP accounts, with such 80% limitation not applying to distributions to be made in the ordinary course to participants who are no longer employed and who are either already receiving or have elected and are entitled to receive benefits from the Plan as of the date of the termination; (D) to cause all ESOP accounts to become fully vested upon termination of the ESOP; (E) to provide that no further employer contributions will be made to the ESOP after its termination; (F) to provide how final allocations will be made to the ESOP participant accounts; and (G) to permit distributions to all participants employed as of the date of ESOP termination of the remaining

**POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020**

Note 1 – General Information and Plan Termination (continued)

balances credited to their accounts in the form of cash on or promptly following the later of (1) the date that the determination letter for the ESOP is received from the IRS or (2) the date on which final proceeds are distributed in accordance with the general escrow agreement. Such escrow has not yet been fully distributed as of December 31, 2021.

Note 2 – Description of Plan

The following brief description of the Plan is provided for general information purposes only. Portions of this section may no longer be applicable as the result of the stock purchase agreement previously discussed. Participants should refer to the Plan document for complete information.

The Plan initially purchased Company common shares using the proceeds of a note payable from the Company. The Plan held the stock in a trust established under the Plan. The note payable was to be repaid over a period of ten years by fully deductible Company contributions to the trust fund. As the Plan made each payment of principal, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The note payable was collateralized by the unallocated shares of stock. The lender had no rights against shares once they were allocated under the ESOP.

The Plan also had other notes payable for purchases of shares from former shareholders, and those notes were treated consistently with the note payable described above (see Note 6). Accordingly, the financial statements of the Plan as of and for the year ended December 31, 2021 and 2020, present separately the assets and liabilities and changes therein pertaining to:

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

Eligibility

Employees of the Company were generally eligible to participate in the Plan after one year of service provided they worked at least 1,000 hours during such Plan year and had attained age 20 ½ years. Part-time and temporary employees were not eligible. Participants who did not meet the eligibility requirements during such Plan year or were not employed on the last working day of a Plan year were generally not eligible for an allocation of Company contributions for such year.

Contributions

The Company was allowed to make annual employer contributions to the Plan in the form of cash or Company stock. There were no employee elective deferrals or rollovers into the Plan. However, Plan participants had a one-time option at Plan inception to transfer funds from the Poggemeyer Design Group Employees 401(k) Plan. Only funds held in the participant's profit sharing account within the 401(k) Plan were eligible for transfer into the ESOP.

**POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020**

Note 2 – Description of Plan (continued)

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account was credited as of the last day of each Plan year with an allocation of shares of (a) the Company's common stock released by the Trustees from the unallocated account (through 2019), (b) Plan earnings or losses, and (c) forfeitures of terminated participants non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year received an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

In 2020, as a result of the sale, allocations to participant accounts were based on eligible compensation through August 31, 2020.

Vesting

As a result of the plan termination, all participants became fully vested on October 13, 2020. Prior to that date, account balances related to ESOP shares vested ratably, becoming fully vested over six years.

Forfeitures

Non-vested account balances became forfeitures during the Plan year in which (a) a fully non-vested participant terminated, (b) a partially vested participant terminated and elected a distribution, or (c) a partially vested participant had been terminated for five years. Forfeitures were held by the Plan and were allocated as of the last day of the Plan year to eligible participants as described above. Forfeitures allocated to participants totaled zero at December 31, 2021 and 2020.

Payment of Benefits

Distributions from the Plan were made when a participant retired, died (in which case, payment was made to their beneficiary or, if none, their legal representatives), or otherwise terminated employment with the Company. Distributions were generally paid in cash in five annual installments; however, payments could be made over a period not to exceed ten years for balances in excess of \$800,000. Payments were allowed as one lump sum to participants who terminated by reason of permanent disability, whose vested balance was \$5,000 or less, or whose vested balance was \$25,000 or less and the Plan had no outstanding note payable.

As described in Note 1, participants employed as of the date of Plan Termination generally received up to 80% of their account balances, or up to 100% in certain circumstances, with distributions in 2021 and 2020 totaling \$8,180,009 and \$10,344,246, respectively. Remaining account balances will be distributed during the wind-down period. Due to Plan termination, only lump-sum distributions are permitted.

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

Note 2 – Description of Plan (continued)

Payment of Benefits (continued)

Under the provisions of the Plan, the Company was obligated to repurchase participant shares which had been distributed under the terms of the Plan as long as the shares were not publicly traded or if the shares were subject to trading limitations.

Voting Rights

Each participant was entitled to exercise voting rights attributable to the shares allocated to their account and was notified by the Trustee prior to the time that such rights were to be exercised. The Trustee was not permitted to vote any allocated share for which instructions have not been given by a participant. The Trustee was required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries. Effective June 2, 2020, SCJ was selected to vote all shares held by the ESOP Trust on behalf of its participants through the date of Plan termination.

Administrative expense

All expenses of establishing and administering the Plan are paid by the ESOP Trust, but only to the extent not paid by the Company.

Note 3 – Significant Accounting Policies

Basis of Accounting

The Plan prepares its financial statements on the accrual basis of accounting. Receivables are stated at net realizable value. At the Termination Date, the Plan changed its basis of accounting from the ongoing plan basis used in presenting its financial statements to the liquidation basis of accounting as required by accounting principles generally accepted in the United States of America. The change in the basis of accounting had no effect on the Plan's financial statements.

Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates. Most significantly, the Escrow Proceeds Receivable is estimated as described in Note 1.

Subsequent Events

The Plan has evaluated subsequent events through October 13, 2022, the date the financial statements were available to be issued.

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

Note 4 – Administration of Plan Assets

The Plan's assets are held by the Trustee of the Plan. At December 31, 2021 and 2020, cash is held at Waterford Bank, N.A.

Company contributions were previously held and managed by a committee, who invested cash received, interest, and dividend income and made distributions to participants. The committee also administered the payment of interest and principal on the loans, which was reimbursed to the committee through contributions as determined by the Company.

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

Note 5 – Investments and Fair Value Measurement

The Plan's investments in Company common stock were sold in conjunction with the sale of the Company as described above, and therefore the investment was zero at December 31, 2021 and 2020.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described below.

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

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical assets or liabilities in inactive markets;

Level 2 – Inputs to valuation methodology include:

- 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 and

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

POGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

Note 5 – Investments and Fair Value Measurement (continued)

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.

Following is a description of the valuation methodologies used for assets measured at fair value. The techniques utilized in estimating fair values of financial instruments are reliant on the assumptions used, including discount rates and estimates of the amount and timing of future cash flows. There have been no changes in the methodologies used at December 31, 2021 and 2020.

The fair value of company common stock is based upon an annual independent appraisal. This appraisal was based upon a combination of the market and income valuation techniques consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, and market comparables.

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

The following table sets forth by level within the fair value hierarchy the Plan's assets at fair value:

		December 31, 2021			
		Level 1	Level 2	Level 3	Total
Cash – interest-bearing		\$ 773,554	\$ -	\$ -	\$ 773,554
Total assets at fair value		<u>\$ 773,554</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 773,554</u>
		December 31, 2020			
		Level 1	Level 2	Level 3	Total
Cash – interest-bearing		\$ 6,582,779	\$ -	\$ -	\$ 6,582,779
Total assets at fair value		<u>\$ 6,582,779</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,582,779</u>

There were no purchases of Level 3 investments, and there were no issuances or transfers into or out of Level 3 of the fair value hierarchy, for the years ended December 31, 2021 and 2020.

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

Note 6 – Notes Payable

On October 16, 2012, the Plan purchased a total of 262.51 shares from two former shareholders of the Company for a total of \$157,780 plus interest at 3.25%. The Plan held the stock in the trust established under the Plan. As the Plan made each payment of principal, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The lender had no rights against shares once they were allocated under the ESOP. Principal payments on the remaining unpaid loan of \$13,793 plus interest were payable annually on July 31, with the last loan scheduled to mature in July 2020.

On January 31, 2014, the Plan purchased a total of 1,090.40 shares from two former shareholders of the Company for a total of \$588,260 plus interest at 3.25%. The Plan held the stock in the trust established under the Plan. As the Plan made each payment of principal, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The lender had no rights against shares once they are allocated under the ESOP. The two loans required principal down payments totaling \$39,231, with monthly principal and interest payments totaling \$6,168 which began July 1, 2014. The loans were scheduled to mature in December 2022.

All loans were paid in full by August 2020, prior to the sale of the Company.

Note 7 – Employer Contributions

The Company was obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equaled the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its loans.

In conjunction with the sale of the Company, in order to pay required distributions to participants and expenses related to the Plan termination, in addition to the contribution required as noted above, the Company authorized a shareholder dividend of \$2,000,000 in October 2020, of which \$1,539,698 was contributed to the ESOP as the Company's largest shareholder, and the amount was allocated to participants based on their pro-rata total investment in Company common stock at Plan termination.

Note 8 – Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated May 20, 2014, that the Plan was qualified and the trust established under the Plan was tax-exempt, under the appropriate sections of the Code. On July 21, 2021, the Plan received a favorable IRS determination letter with respect to the termination of the Plan as of October 13, 2020. The Plan administrator and the Plan's tax counsel believe that the Plan was designed and being operated in compliance with the applicable requirements of the Code. Therefore, they believe that the Plan was qualified and the related trust was tax-exempt.

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2021 and 2020

Note 8 – Income Tax Status (continued)

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9 – Prohibited Transactions

In 2020, management of the Company was informed that a certain stock redemption to a party in interest in 2016 was less than fair market value and therefore was not in compliance with Department of Labor regulations.

In 2020, management of the Company was also informed that a purchase of Company common stock by the ESOP at a price that was more than fair market value in 2012 was not in compliance with Department of Labor regulations.

As a result of the above notifications, the Company requested voluntary fiduciary correction program no-action letters and remitted to the Plan amounts required to correct the above prohibited transactions. The amount remitted to the Plan in 2020 for the above voluntary corrections totaled \$44,851 and is included with employer contributions in the financial statements.

SUPPLEMENTARY INFORMATION

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
EIN 34-1056617 PLAN #003
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
December 31, 2021

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Waterford Bank, N.A.	Cash – bearing interest at 0.10%	\$ 773,554	\$ 773,554

POGGEMEYER DESIGN GROUP, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
EIN 34-1056617 PLAN #003
SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
December 31, 2021

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
Waterford Bank, N.A.	Cash – bearing interest at 0.10%	\$ 773,554	\$ 773,554