

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>KERR PUMPS 401(K) RETIREMENT 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>01/01/2015</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2015</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2015</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>KERR MACHINE CO. D/B/A KERR PUMPS</u> <u>2214 W. 14TH ST.</u> <u>SULPHUR, OK 73086</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>73-0748930</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>580-622-4207</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>333900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>73-0748930</u>	2c Plan Sponsor's telephone number <u>580-622-4207</u>	2d Business code (see instructions) <u>333900</u>	
2b Employer Identification Number (EIN) <u>73-0748930</u>					
2c Plan Sponsor's telephone number <u>580-622-4207</u>					
2d Business code (see instructions) <u>333900</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.	10/17/2022	MARK NOWELL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2021)
v. 210624

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	340
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)	231
a(2) Total number of active participants at the end of the plan year		6a(2)	302
b Retired or separated participants receiving benefits.....		6b	19
c Other retired or separated participants entitled to future benefits		6c	94
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	415
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	1
f Total. Add lines 6d and 6e		6f	416
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	269
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 3D			
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 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 KERR PUMPS 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) 001
C Plan sponsor's name as shown on line 2a of Form 5500 KERR MACHINE CO. D/B/A KERR PUMPS	D Employer Identification Number (EIN) 73-0748930

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

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

☒ 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

CAPITAL BANK & TRUST6455 IRVINE CENTER
IRVINE, CA 92618

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

MML INVESTORS SERVICES, LLC11212 N MAY AVE, STE 410
OKLAHOMA CITY, OK 73120

(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)

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

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

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

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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 KERR PUMPS 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 KERR MACHINE CO. D/B/A KERR PUMPS	D Employer Identification Number (EIN) 73-0748930	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	600	10794
(2) Participant contributions.....	1b(2)		15995
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	4577361	5780901
(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)		
(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	4577961	5807690

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		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4577961	5807690
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	306255	
(B) Participants	2a(1)(B)	457873	
(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)		764128
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		629795
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		1393923
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	164194	
(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)		164194
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		164194
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		1229729
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: ROSE ROCK CPAS

(2) EIN: 26-0852716

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		407213

	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		375000
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?		X	
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?		X	
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 _____.

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.
---	--	---

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

A Name of plan KERR PUMPS 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 KERR MACHINE CO. D/B/A KERR PUMPS	D Employer Identification Number (EIN) 73-0748930

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): 95-6817943		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

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

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

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

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

Schedule R (Form 5500) 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: _____% 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 _____

*Audited Financial Statements
and Supplementary Information*

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

Audited Financial Statements
and Supplementary Information

Kerr Pumps 401(k) Retirement Plan

December 31, 2021

Audited Financial Statements

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Supplementary Information

Schedule of Assets Held at End of Year	13
Schedule of Delinquent Participant Contributions.....	14

Independent Auditors' Report

To the Trustees and Plan Administrator
Kerr Pumps 401(k) Retirement Plan
Sulphur, Oklahoma

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

We have performed an audit of the financial statements of the Kerr Pumps 401(k) Retirement Plan (the "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, and the related Statement of Changes in Net Assets Available for Benefits for the year then ended, and the related notes to the financial statements ("2021 Financial Statements").

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 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").

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section -

- the amounts and disclosures in the accompanying 2021 financial statements, 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 accompanying 2021 financial statements 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 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 Auditors' Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our 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.

Responsibilities of Management for the 2021 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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.

Auditors' 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 auditors' 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.

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 Matters

2021 Supplemental Schedules Required by ERISA

The supplemental Schedules of Assets Held at End of Year and Delinquent Participant Contributions as of 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 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 its 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 management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditors' Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the 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 October 13, 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, and (b) the form and content of the information included in the 2020 financial statements 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.

Rose Rock CPAs PLLC

Edmond, Oklahoma
October 13, 2022

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

KERR PUMPS 401(K) RETIREMENT PLAN

	December 31	
	<u>2021</u>	<u>2020</u>
Cash	\$ 2,607	\$ -
Investments at fair value:		
Mutual funds	5,778,294	4,510,492
Receivables:		
Employer contributions receivable	11,394	28,515
Participant contributions receivable	<u>15,995</u>	<u>42,603</u>
	<u>27,389</u>	<u>71,118</u>
TOTAL ASSETS	<u>5,808,290</u>	<u>4,581,610</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 5,808,290</u>	<u>\$ 4,581,610</u>

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

KERR PUMPS 401(K) RETIREMENT PLAN

YEAR ENDED DECEMBER 31, 2021

ADDITIONS

Investment income:

Net appreciation in fair value of investments	\$ 366,707
Interest and dividends	<u>265,313</u>
	632,020

Contributions:

Employer	304,429
Participants	<u>456,642</u>
	761,071

TOTAL ADDITIONS 1,393,091

DEDUCTIONS

Benefits paid to participants	161,587
Administrative fees	<u>4,824</u>

TOTAL DEDUCTIONS 166,411

NET INCREASE 1,226,680

NET ASSETS AVAILABLE FOR BENEFITS
AT BEGINNING OF YEAR 4,581,610

NET ASSETS AVAILABLE FOR BENEFITS
AT END OF YEAR \$ 5,808,290

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE A--PLAN DESCRIPTION

The following description of the Kerr Pumps 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for more complete information.

General: The Plan is a defined contribution plan covering substantially all employees of Kerr Machine Co. d/b/a Kerr Pumps and Flow Valve, LLC (collectively referred to as the "Company") who have completed one year of service, as defined in the Plan document, and are age 21 or older. Eligible employees may enroll in the Plan on January 1st or July 1st of each plan year. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Company enacted the Plan effective January 1, 2015.

Contributions: Participants may make elective deferrals to the Plan up to the annual limitations imposed by the IRS of \$19,500 for 2021. Plan participants age 50 and older were eligible to make a catch-up contribution of an additional \$6,500 to the Plan for 2021. Rollover contributions are permitted under the Plan agreement.

The Plan provides for the Company to make safe harbor and discretionary matching contributions to the Plan. During the year end December 31, 2021, the Company made safe harbor matching contributions of 100% of a participant's contributions up to 3% of the participant's eligible compensation and 50% of a participant's contribution between 3% and 5% of eligible compensation. Additionally, the Company, at its discretion, may elect to make profit-sharing or other contributions to the Plan. The Company did not make any discretionary profit sharing or other contributions to the Plan during the year ended December 31, 2021.

Vesting: Participant contributions, safe harbor match contributions and earnings thereon are fully vested at all times. Discretionary profit sharing or other contributions become 20% vested after 2 years of service and continue to vest at a rate of 20% for each successive year of service until 100% vested after 6 years of service.

Payment of Benefits: Participants who terminate employment due to death, permanent disability or normal retirement may receive all benefits in a lump-sum payment equal to the value of the participant's vested account balance. For termination of service due to other reasons, a participant may receive the value of their vested interest as a lump-sum distribution. At December 31, 2021, net assets available for benefits included approximately \$884,000 relating to former participants who have elected, for the present time, to leave their balances intact with the Plan.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE A--PLAN DESCRIPTION--Continued

Investment Options: Participant accounts are 100% participant directed. Upon enrollment, participants may direct their contributions, in any increments, to any of the investment options provided by the custodian. The investments are allocated to a selection of various mutual funds which are registered under the Investment Company Act of 1940.

Participant Accounts: Each participant's account is credited with the participant's contributions; the Company's matching contributions and the allocation of Plan earnings. Allocations are based on the participant's account balance. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Administration: A Company employee serves as the Plan Administrator having overall responsibility for the Plan. This includes the power to interpret the provisions of the Plan, determine questions concerning eligibility, participation and benefits, and such other powers and duties as are necessary to the operation of the Plan. The Company pays a portion of the costs of the Plan.

Income Tax Status: The IRS has ruled that the Plan qualifies under Section 401(a) of the Internal Revenue Code (IRC). The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require the Plan's management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan is subject to routine audits by taxing jurisdictions. However, there are currently no audits for any tax periods in progress.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared using the accrual method of accounting.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Payment of Benefits: Benefits are recorded when paid.

Forfeitures: Forfeitures can be used to offset future employer contributions. During 2021, participants incurred forfeitures of \$2,600.

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. See note D for discussion of fair value measurements.

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

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

Subsequent Events: Subsequent events have been evaluated through October 1, 2022, which is the date the financial statements were available to be issued.

NOTE C--INVESTMENT CONCENTRATION, RISKS AND UNCERTAINTIES

As of December 31, 2021 approximately 37% of Plan assets consist of two mutual fund investments.

In general, the investments provided by the Plan are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE D--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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820-10-35-39 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 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:

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE D--FAIR VALUE MEASUREMENTS--Continued

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

		2021			
Investments		Level 1	Level 2	Level 3	Total
Mutual funds		\$ 5,778,294	\$ -	\$ -	\$ 5,778,294
Total assets accounted for at fair value		\$ 5,778,294	\$ -	\$ -	\$ 5,778,294
		2020			
Investments		Level 1	Level 2	Level 3	Total
Mutual funds		\$ 4,510,492	\$ -	\$ -	\$ 4,510,492
Total assets accounted for at fair value		\$ 4,510,492	\$ -	\$ -	\$ 4,510,492

NOTE E--INFORMATION CERTIFIED BY THE CUSTODIAN

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Capital Bank and Trust Company as of and for the years ended December 31, 2021 and 2020 has certified that the following data included in the accompanying financial statements and supplemental schedule of assets held at end of year is complete and accurate:

- Investments as shown in the statements of net assets available for benefits as of December 31, 2021 and 2020.
- Investment income, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2021.
- Schedule H, Line 4i--schedule of assets held at end of year as of December 31, 2021.

The Plan's independent auditors did not perform audit procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule of assets held at end of year.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE F--TRANSACTIONS WITH EXEMPT PARTIES-IN-INTEREST

Certain Plan investments are managed by the Plan's custodian and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investments, as they are paid through revenue sharing rather than a direct payment. The Company pays directly any other fees related to the Plan's operations.

NOTE G--VOLUNTARY CORRECTION PROGRAM

During the year end December 31, 2021, the Plan had participant contributions that were withheld from participants' compensation but were not segregated from the Company's assets within seven calendar days totaling approximately \$346,000. These transactions represented loans from the Plan to the Company for the period between the seventh business day following the payroll date in which the amounts were withheld through the date that the withholdings were separated from the Company's assets, which was at the time they were remitted to the Plan. Late remittances of participant contributions constitute a prohibited transaction under ERISA Section 406. The delinquent contributions were remitted during the Plan year, and lost earnings will be remitted in 2022. The Company does not believe the amount of any lost earnings, interest or penalties required to be paid by the Company will be significant.

NOTE H--RECONCILIATION OF FINANCIAL STATEMENTS TO 5500

The following is the reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per the financial statements	\$ 5,808,290	\$ 4,581,610
Additional contributions receivable	<u>-</u>	<u>(3,649)</u>
Net assets available for benefits per the Form 5500	<u>\$ 5,808,290</u>	<u>\$ 4,577,961</u>

SCHEDULE OF ASSETS HELD AT END OF YEAR

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

Schedule H (Form 5500), Part IV, Line 4i, Schedule of Assets Held
At End Of Year, Employer Number --73-0748930, Plan Number -- 001

(a)	(b) Identity of Issuer, Borrowers, and Lessors, or Similar Party	(c) Description of investment including maturity dates, rate of interest, collateral, par or maturity value	(d) Cost #	(e) Current Value
*	American Funds 2010 Target Date Retirement Fund	Mutual Fund		\$ 133,788
*	American Funds 2015 Target Date Retirement Fund	Mutual Fund		3,189
*	American Funds 2020 Target Date Retirement Fund	Mutual Fund		81,376
*	American Funds 2025 Target Date Retirement Fund	Mutual Fund		568,019
*	American Funds 2030 Target Date Retirement Fund	Mutual Fund		1,604,437
*	American Funds 2035 Target Date Retirement Fund	Mutual Fund		366,694
*	American Funds 2040 Target Date Retirement Fund	Mutual Fund		386,543
*	American Funds 2045 Target Date Retirement Fund	Mutual Fund		231,866
*	American Funds 2050 Target Date Retirement Fund	Mutual Fund		165,395
*	American Funds 2055 Target Date Retirement Fund	Mutual Fund		366,301
*	American Funds 2060 Target Date Retirement Fund	Mutual Fund		77,038
*	American Funds 2065 Target Date Retirement Fund	Mutual Fund		9,810
*	American Funds Growth Fund of America	Mutual Fund		59,778
*	Income Company of America Fund	Mutual Fund		738
*	American Funds Washington Mutual Investors Fund	Mutual Fund		5,756
*	American Funds Income Fund of America	Mutual Fund		5,811
*	American Funds New Economic Fund	Mutual Fund		58,934
*	American Funds Small Cap World Fund	Mutual Fund		5,487
*	American Funds Income Portfolio	Mutual Fund		191,352
*	American Funds Preservation Portfolio	Mutual Fund		8,903
*	American Funds AMCAP Fund	Mutual Fund		78,327
*	American Funds New Perspective Fund	Mutual Fund		86,625
*	American Funds Strategic Bond Fund	Mutual Fund		63,935
*	American Funds Balanced Portfolio	Mutual Fund		392,090
*	American Funds Global Growth Portfolio	Mutual Fund		306,883
*	American Funds Growth & Income Portfolio	Mutual Fund		294,113
*	American Funds Growth Portfolio	Mutual Fund		142,278
*	American Funds Money Market Fund	Mutual Fund		62,883
*	American Funds Capital World Growth and Income Fund	Mutual Fund		19,945
				<u>\$ 5,778,294</u>

* A party-in-interest as defined by ERISA

Cost information is not required for participant-directed 401(k) plans.

See independent auditors' report.

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

KERR PUMPS 401(K) RETIREMENT PLAN

Year Ended December 31, 2021

Schedule H (Form 5500), Line 4a - Schedule of Delinquent Participant Contributions.
Employer Number --73-0748930; Plan Number -- 001

Description of Transaction	Participant Contributions Transferred Late to Plan Check Here if Late Participant Note Repayments are Included:	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCEP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside of VFCEP	Contributions Pending Correction in VFCEP	
2020 Corrections	\$ 338,207	\$ -	\$ -	\$ -	\$ 338,207
* January 8, 2021 participant contributions.	6,091	-	-	6,091	-
* January 15, 2021 participant contributions.	6,690	-	-	6,690	-
* January 22, 2021 participant contributions.	56,793	-	-	56,793	-
* January 29, 2021 participant contributions.	6,833	-	-	6,833	-
* February 5, 2021 participant contributions.	6,913	-	-	6,913	-
* February 12, 2021 participant contributions.	8,258	-	-	8,258	-
* March 12, 2021 participant contributions.	6,960	-	-	6,960	-
* March 19, 2021 participant contributions.	6,880	-	-	6,880	-
* March 26, 2021 participant contributions.	6,653	-	-	6,653	-
* April 2, 2021 participant contributions.	6,933	-	-	6,933	-
* April 9, 2021 participant contributions.	6,910	-	-	6,910	-
* April 30, 2021 participant contributions.	7,003	-	-	7,003	-
* May 7, 2021 participant contributions.	6,882	-	-	6,882	-
* May 21, 2021 participant contributions.	3,857	-	-	3,857	-
* May 28, 2021 participant contributions.	6,913	-	-	6,913	-
* June 18, 2021 participant contributions.	7,334	-	-	7,334	-
* June 25, 2021 participant contributions.	7,051	-	-	7,051	-
* July 2, 2021 participant contributions.	6,860	-	-	6,860	-
* July 16, 2021 participant contributions.	7,213	-	-	7,213	-
* July 23, 2021 participant contributions.	7,852	-	-	7,852	-
* July 30, 2021 participant contributions.	8,095	-	-	8,095	-
* August 6, 2021 participant contributions.	8,105	-	-	8,105	-
* August 13, 2021 participant contributions.	9,791	-	-	9,791	-
* August 20, 2021 participant contributions.	1,897	-	-	1,897	-
* August 27, 2021 participant contributions.	8,326	-	-	8,326	-
* September 3, 2021 participant contributions.	8,112	-	-	8,112	-
* September 10, 2021 participant contributions.	8,109	-	-	8,109	-
* September 17, 2021 participant contributions.	7,751	-	-	7,751	-
* October 1, 2021 participant contributions.	8,272	-	-	8,272	-
* October 8, 2021 participant contributions.	8,246	-	-	8,246	-
* October 15, 2021 participant contributions.	8,063	-	-	8,063	-
* October 22, 2021 participant contributions.	8,274	-	-	8,274	-
* October 29, 2021 participant contributions.	8,246	-	-	8,246	-
* November 5, 2021 participant contributions.	8,073	-	-	8,073	-
* November 12, 2021 participant contributions.	8,185	-	-	8,185	-
* November 19, 2021 participant contributions.	8,395	-	-	8,395	-
* November 24, 2021 participant contributions.	8,221	-	-	8,221	-
** December 3, 2021 participant contributions.	7,791	-	-	7,791	-
** December 10, 2021 participant contributions.	8,414	-	-	8,414	-
** December 22, 2021 participant contributions.	8,235	-	-	8,235	-
	<u>\$ 683,687</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,480</u>	<u>\$ 338,207</u>

* - Contribution remitted during Plan year, lost earnings will be remitted in 2022

** - Contribution remitted during 2022, lost earnings will be remitted in 2022

See independent auditors' report.

*Audited Financial Statements
and Supplementary Information*

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

Audited Financial Statements
and Supplementary Information

Kerr Pumps 401(k) Retirement Plan

December 31, 2021

Audited Financial Statements

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Independent Auditors' Report

To the Trustees and Plan Administrator
Kerr Pumps 401(k) Retirement Plan
Sulphur, Oklahoma

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

We have performed an audit of the financial statements of the Kerr Pumps 401(k) Retirement Plan (the "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, and the related Statement of Changes in Net Assets Available for Benefits for the year then ended, and the related notes to the financial statements ("2021 Financial Statements").

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 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").

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section -

- the amounts and disclosures in the accompanying 2021 financial statements, 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 accompanying 2021 financial statements 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 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 Auditors' Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our 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.

Responsibilities of Management for the 2021 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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.

Auditors' 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 auditors' 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.

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 Matters

2021 Supplemental Schedules Required by ERISA

The supplemental Schedules of Assets Held at End of Year and Delinquent Participant Contributions as of 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 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 its 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 management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditors' Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the 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 October 13, 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, and (b) the form and content of the information included in the 2020 financial statements 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.

Rose Rock CPAs PLLC

Edmond, Oklahoma
October 13, 2022

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

KERR PUMPS 401(K) RETIREMENT PLAN

	December 31	
	<u>2021</u>	<u>2020</u>
Cash	\$ 2,607	\$ -
Investments at fair value:		
Mutual funds	5,778,294	4,510,492
Receivables:		
Employer contributions receivable	11,394	28,515
Participant contributions receivable	<u>15,995</u>	<u>42,603</u>
	<u>27,389</u>	<u>71,118</u>
TOTAL ASSETS	<u>5,808,290</u>	<u>4,581,610</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 5,808,290</u>	<u>\$ 4,581,610</u>

See notes to financial statements.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

KERR PUMPS 401(K) RETIREMENT PLAN

YEAR ENDED DECEMBER 31, 2021

ADDITIONS

Investment income:

Net appreciation in fair value of investments	\$ 366,707
Interest and dividends	<u>265,313</u>
	632,020

Contributions:

Employer	304,429
Participants	<u>456,642</u>
	761,071

TOTAL ADDITIONS 1,393,091

DEDUCTIONS

Benefits paid to participants	161,587
Administrative fees	<u>4,824</u>

TOTAL DEDUCTIONS 166,411

NET INCREASE 1,226,680

NET ASSETS AVAILABLE FOR BENEFITS
AT BEGINNING OF YEAR 4,581,610

NET ASSETS AVAILABLE FOR BENEFITS
AT END OF YEAR \$ 5,808,290

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE A--PLAN DESCRIPTION

The following description of the Kerr Pumps 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for more complete information.

General: The Plan is a defined contribution plan covering substantially all employees of Kerr Machine Co. d/b/a Kerr Pumps and Flow Valve, LLC (collectively referred to as the "Company") who have completed one year of service, as defined in the Plan document, and are age 21 or older. Eligible employees may enroll in the Plan on January 1st or July 1st of each plan year. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Company enacted the Plan effective January 1, 2015.

Contributions: Participants may make elective deferrals to the Plan up to the annual limitations imposed by the IRS of \$19,500 for 2021. Plan participants age 50 and older were eligible to make a catch-up contribution of an additional \$6,500 to the Plan for 2021. Rollover contributions are permitted under the Plan agreement.

The Plan provides for the Company to make safe harbor and discretionary matching contributions to the Plan. During the year end December 31, 2021, the Company made safe harbor matching contributions of 100% of a participant's contributions up to 3% of the participant's eligible compensation and 50% of a participant's contribution between 3% and 5% of eligible compensation. Additionally, the Company, at its discretion, may elect to make profit-sharing or other contributions to the Plan. The Company did not make any discretionary profit sharing or other contributions to the Plan during the year ended December 31, 2021.

Vesting: Participant contributions, safe harbor match contributions and earnings thereon are fully vested at all times. Discretionary profit sharing or other contributions become 20% vested after 2 years of service and continue to vest at a rate of 20% for each successive year of service until 100% vested after 6 years of service.

Payment of Benefits: Participants who terminate employment due to death, permanent disability or normal retirement may receive all benefits in a lump-sum payment equal to the value of the participant's vested account balance. For termination of service due to other reasons, a participant may receive the value of their vested interest as a lump-sum distribution. At December 31, 2021, net assets available for benefits included approximately \$884,000 relating to former participants who have elected, for the present time, to leave their balances intact with the Plan.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE A--PLAN DESCRIPTION--Continued

Investment Options: Participant accounts are 100% participant directed. Upon enrollment, participants may direct their contributions, in any increments, to any of the investment options provided by the custodian. The investments are allocated to a selection of various mutual funds which are registered under the Investment Company Act of 1940.

Participant Accounts: Each participant's account is credited with the participant's contributions; the Company's matching contributions and the allocation of Plan earnings. Allocations are based on the participant's account balance. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Administration: A Company employee serves as the Plan Administrator having overall responsibility for the Plan. This includes the power to interpret the provisions of the Plan, determine questions concerning eligibility, participation and benefits, and such other powers and duties as are necessary to the operation of the Plan. The Company pays a portion of the costs of the Plan.

Income Tax Status: The IRS has ruled that the Plan qualifies under Section 401(a) of the Internal Revenue Code (IRC). The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require the Plan's management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by a government authority. The Plan is subject to routine audits by taxing jurisdictions. However, there are currently no audits for any tax periods in progress.

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared using the accrual method of accounting.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan's management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE B--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Payment of Benefits: Benefits are recorded when paid.

Forfeitures: Forfeitures can be used to offset future employer contributions. During 2021, participants incurred forfeitures of \$2,600.

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. See note D for discussion of fair value measurements.

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

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

Subsequent Events: Subsequent events have been evaluated through October 1, 2022, which is the date the financial statements were available to be issued.

NOTE C--INVESTMENT CONCENTRATION, RISKS AND UNCERTAINTIES

As of December 31, 2021 approximately 37% of Plan assets consist of two mutual fund investments.

In general, the investments provided by the Plan are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE D--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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820-10-35-39 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 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:

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE D--FAIR VALUE MEASUREMENTS--Continued

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

2021				
Investments	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 5,778,294	\$ -	\$ -	\$ 5,778,294
Total assets accounted for at fair value	\$ 5,778,294	\$ -	\$ -	\$ 5,778,294
2020				
Investments	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 4,510,492	\$ -	\$ -	\$ 4,510,492
Total assets accounted for at fair value	\$ 4,510,492	\$ -	\$ -	\$ 4,510,492

NOTE E--INFORMATION CERTIFIED BY THE CUSTODIAN

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Capital Bank and Trust Company as of and for the years ended December 31, 2021 and 2020 has certified that the following data included in the accompanying financial statements and supplemental schedule of assets held at end of year is complete and accurate:

- Investments as shown in the statements of net assets available for benefits as of December 31, 2021 and 2020.
- Investment income, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2021.
- Schedule H, Line 4i--schedule of assets held at end of year as of December 31, 2021.

The Plan's independent auditors did not perform audit procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule of assets held at end of year.

NOTES TO FINANCIAL STATEMENTS--Continued

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

NOTE F--TRANSACTIONS WITH EXEMPT PARTIES-IN-INTEREST

Certain Plan investments are managed by the Plan's custodian and, therefore, these transactions qualify as exempt party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investments, as they are paid through revenue sharing rather than a direct payment. The Company pays directly any other fees related to the Plan's operations.

NOTE G--VOLUNTARY CORRECTION PROGRAM

During the year end December 31, 2021, the Plan had participant contributions that were withheld from participants' compensation but were not segregated from the Company's assets within seven calendar days totaling approximately \$346,000. These transactions represented loans from the Plan to the Company for the period between the seventh business day following the payroll date in which the amounts were withheld through the date that the withholdings were separated from the Company's assets, which was at the time they were remitted to the Plan. Late remittances of participant contributions constitute a prohibited transaction under ERISA Section 406. The delinquent contributions were remitted during the Plan year, and lost earnings will be remitted in 2022. The Company does not believe the amount of any lost earnings, interest or penalties required to be paid by the Company will be significant.

NOTE H--RECONCILIATION OF FINANCIAL STATEMENTS TO 5500

The following is the reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per the financial statements	\$ 5,808,290	\$ 4,581,610
Additional contributions receivable	<u>-</u>	<u>(3,649)</u>
Net assets available for benefits per the Form 5500	<u>\$ 5,808,290</u>	<u>\$ 4,577,961</u>

SCHEDULE OF ASSETS HELD AT END OF YEAR

KERR PUMPS 401(K) RETIREMENT PLAN

December 31, 2021

Schedule H (Form 5500), Part IV, Line 4i, Schedule of Assets Held
At End Of Year, Employer Number --73-0748930, Plan Number -- 001

(a)	(b) Identity of Issuer, Borrowers, and Lessors, or Similar Party	(c) Description of investment including maturity dates, rate of interest, collateral, par or maturity value	(d) Cost #	(e) Current Value
*	American Funds 2010 Target Date Retirement Fund	Mutual Fund		\$ 133,788
*	American Funds 2015 Target Date Retirement Fund	Mutual Fund		3,189
*	American Funds 2020 Target Date Retirement Fund	Mutual Fund		81,376
*	American Funds 2025 Target Date Retirement Fund	Mutual Fund		568,019
*	American Funds 2030 Target Date Retirement Fund	Mutual Fund		1,604,437
*	American Funds 2035 Target Date Retirement Fund	Mutual Fund		366,694
*	American Funds 2040 Target Date Retirement Fund	Mutual Fund		386,543
*	American Funds 2045 Target Date Retirement Fund	Mutual Fund		231,866
*	American Funds 2050 Target Date Retirement Fund	Mutual Fund		165,395
*	American Funds 2055 Target Date Retirement Fund	Mutual Fund		366,301
*	American Funds 2060 Target Date Retirement Fund	Mutual Fund		77,038
*	American Funds 2065 Target Date Retirement Fund	Mutual Fund		9,810
*	American Funds Growth Fund of America	Mutual Fund		59,778
*	Income Company of America Fund	Mutual Fund		738
*	American Funds Washington Mutual Investors Fund	Mutual Fund		5,756
*	American Funds Income Fund of America	Mutual Fund		5,811
*	American Funds New Economic Fund	Mutual Fund		58,934
*	American Funds Small Cap World Fund	Mutual Fund		5,487
*	American Funds Income Portfolio	Mutual Fund		191,352
*	American Funds Preservation Portfolio	Mutual Fund		8,903
*	American Funds AMCAP Fund	Mutual Fund		78,327
*	American Funds New Perspective Fund	Mutual Fund		86,625
*	American Funds Strategic Bond Fund	Mutual Fund		63,935
*	American Funds Balanced Portfolio	Mutual Fund		392,090
*	American Funds Global Growth Portfolio	Mutual Fund		306,883
*	American Funds Growth & Income Portfolio	Mutual Fund		294,113
*	American Funds Growth Portfolio	Mutual Fund		142,278
*	American Funds Money Market Fund	Mutual Fund		62,883
*	American Funds Capital World Growth and Income Fund	Mutual Fund		19,945
				<u>\$ 5,778,294</u>

* A party-in-interest as defined by ERISA

Cost information is not required for participant-directed 401(k) plans.

See independent auditors' report.

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

KERR PUMPS 401(K) RETIREMENT PLAN

Year Ended December 31, 2021

Schedule H (Form 5500), Line 4a - Schedule of Delinquent Participant Contributions.
Employer Number --73-0748930; Plan Number -- 001

Description of Transaction	Participant Contributions Transferred Late to Plan Check Here if Late Participant Note Repayments are Included:	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
		Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	
2020 Corrections	\$ 338,207	\$ -	\$ -	\$ -	\$ 338,207
* January 8, 2021 participant contributions.	6,091	-	-	6,091	-
* January 15, 2021 participant contributions.	6,690	-	-	6,690	-
* January 22, 2021 participant contributions.	56,793	-	-	56,793	-
* January 29, 2021 participant contributions.	6,833	-	-	6,833	-
* February 5, 2021 participant contributions.	6,913	-	-	6,913	-
* February 12, 2021 participant contributions.	8,258	-	-	8,258	-
* March 12, 2021 participant contributions.	6,960	-	-	6,960	-
* March 19, 2021 participant contributions.	6,880	-	-	6,880	-
* March 26, 2021 participant contributions.	6,653	-	-	6,653	-
* April 2, 2021 participant contributions.	6,933	-	-	6,933	-
* April 9, 2021 participant contributions.	6,910	-	-	6,910	-
* April 30, 2021 participant contributions.	7,003	-	-	7,003	-
* May 7, 2021 participant contributions.	6,882	-	-	6,882	-
* May 21, 2021 participant contributions.	3,857	-	-	3,857	-
* May 28, 2021 participant contributions.	6,913	-	-	6,913	-
* June 18, 2021 participant contributions.	7,334	-	-	7,334	-
* June 25, 2021 participant contributions.	7,051	-	-	7,051	-
* July 2, 2021 participant contributions.	6,860	-	-	6,860	-
* July 16, 2021 participant contributions.	7,213	-	-	7,213	-
* July 23, 2021 participant contributions.	7,852	-	-	7,852	-
* July 30, 2021 participant contributions.	8,095	-	-	8,095	-
* August 6, 2021 participant contributions.	8,105	-	-	8,105	-
* August 13, 2021 participant contributions.	9,791	-	-	9,791	-
* August 20, 2021 participant contributions.	1,897	-	-	1,897	-
* August 27, 2021 participant contributions.	8,326	-	-	8,326	-
* September 3, 2021 participant contributions.	8,112	-	-	8,112	-
* September 10, 2021 participant contributions.	8,109	-	-	8,109	-
* September 17, 2021 participant contributions.	7,751	-	-	7,751	-
* October 1, 2021 participant contributions.	8,272	-	-	8,272	-
* October 8, 2021 participant contributions.	8,246	-	-	8,246	-
* October 15, 2021 participant contributions.	8,063	-	-	8,063	-
* October 22, 2021 participant contributions.	8,274	-	-	8,274	-
* October 29, 2021 participant contributions.	8,246	-	-	8,246	-
* November 5, 2021 participant contributions.	8,073	-	-	8,073	-
* November 12, 2021 participant contributions.	8,185	-	-	8,185	-
* November 19, 2021 participant contributions.	8,395	-	-	8,395	-
* November 24, 2021 participant contributions.	8,221	-	-	8,221	-
** December 3, 2021 participant contributions.	7,791	-	-	7,791	-
** December 10, 2021 participant contributions.	8,414	-	-	8,414	-
** December 22, 2021 participant contributions.	8,235	-	-	8,235	-
	<u>\$ 683,687</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,480</u>	<u>\$ 338,207</u>

* - Contribution remitted during Plan year, lost earnings will be remitted in 2022

** - Contribution remitted during 2022, lost earnings will be remitted in 2022

See independent auditors' report.