

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 2023 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ 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 TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST
1b	Three-digit plan number (PN) ▶ 002
1c	Effective date of plan 01/01/1993
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) TALBERT BUILDING SUPPLY, INC. 1101 OLD DURHAM ROAD ROXBORO, NC 27573
2b	Employer Identification Number (EIN) 56-1678963
2c	Plan Sponsor's telephone number 336-599-1135
2d	Business code (see instructions) 444190

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.	10/04/2024	LYNN WILLIAMS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	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	5 162
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 162 6a(2) 188 6b 3 6c 6 6d 197 6e 0 6f 197 6g(1) 109 6g(2) 175 6h 4
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 2J 2K 2F 2G 3D 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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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
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (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 2023 Form M-1 annual report. If the plan was not required to file the 2023 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
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 TALBERT BUILDING SUPPLY, INC.	D Employer Identification Number (EIN) 56-1678963

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

x

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

(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)

COLDSTREAM WEALTH MANAGEMENT

520 KIRKLAND WAY
STE 300
KIRKLAND, WA 98033

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 51	INVESTMENT ADVISOR	10080	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

BRINKER CAPITAL INVESTMENTS, LLC

1055 WESTLAKES DR STE
STE 250
BERWYN, PA 19312

(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?
28 51	INVESTMENT MANAGEMENT	7255	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PCS RETIREMENT

23-3038464

(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?
12 13 15 16 17 36 37 38 64 50	CONTRACT ADMINISTRATOR	5803	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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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
		2023
		This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 TALBERT BUILDING SUPPLY, INC.		
D Employer Identification Number (EIN) 56-1678963		

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)	6122	0
(2) Participant contributions	1b(2)	11626	0
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	54646	118033
(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)	14132	64601
(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)	4390770	6472263
(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	4477296	6654897
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	4477296	6654897

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)	518863	
(B) Participants	2a(1)(B)	795013	
(C) Others (including rollovers)	2a(1)(C)	98762	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1412638
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1273	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)	5016	
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6289
(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)	140082	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		140082
(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)		739274
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		2298283

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	85827	
(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)		85827
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)	17521	
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	17334	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		34855
j Total expenses. Add all expense amounts in column (b) and enter total	2j		120682

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2177601
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: **BLACKMAN & SLOOP, CPAS, P.A**

(2) EIN: **56-1304727**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	☒	☐	6842
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.)	☐	☒	
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.)	☐	☒	
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.)	☐	☒	
e Was this plan covered by a fidelity bond?	☒	☐	500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	☐	☒	
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?	☐	☒	
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?	☐	☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒	☐	
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.)	☐	☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☐	☒	
l Has the plan failed to provide any benefit when due under the plan?	☐	☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	☒	☐	
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.	☒	☐	

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 2023 This Form is Open to Public Inspection.
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 TALBERT BUILDING SUPPLY, INC.		D Employer Identification Number (EIN) 56-1678963
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 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 82-3967259		
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) 2023 v. 230707		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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) 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) 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)	14a 14b 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 b The corresponding number for the second preceding plan year	15a 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 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	16a 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
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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) and (b): a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____% b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
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: _____	

Part VII	IRS Compliance Questions
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21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☒ Yes ☐ No 21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2). ☒ Design-based safe harbor method ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A	
22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter <u>06 / 30 / 2020</u> (MM/DD/YYYY) and the Opinion Letter serial number <u>Q704096A</u> .	

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

Roxboro, North Carolina

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

**AS OF DECEMBER 31, 2023 AND 2022
AND FOR THE YEAR ENDED DECEMBER 31, 2023**



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INDEPENDENT AUDITOR'S REPORT

Page 1 of 4

To the Plan Administrative Committee of
Talbert Building Supply 401(k) Plan and Trust
Roxboro, North Carolina

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of the Talbert Building Supply 401(k) Plan and Trust (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). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 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 by a bank or similar institution or insurance carrier that is regulated, serviced, 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).

Management has obtained certifications from a qualified institution as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note C to the financial statements, is complete and accurate.

Opinion

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

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

BALANCE & STRATEGY ADVISORS, CPAS LLP

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Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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 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.

Supplemental Schedules Required by ERISA

The supplemental Schedule of Assets (Held at End of Year) at December 31, 2023 and the Schedule of Delinquent Participant Contributions for the year ended December 31, 2023, are presented for the purpose 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 generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule 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).

Balance & Strategy

Chapel Hill, North Carolina
October 2, 2024

TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST

EXHIBIT A

STATEMENTS OF NET ASSETS
AVAILABLE FOR BENEFITS

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS:		
Investments, at fair value	\$ 6,590,296	\$ 4,445,416
Receivables:		
Employer contribution	11,420	6,122
Participant contributions	17,161	11,626
Notes receivable from participants	<u>64,601</u>	<u>14,132</u>
Total receivables	<u>93,182</u>	<u>31,880</u>
TOTAL ASSETS	<u>6,683,478</u>	<u>4,477,296</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 6,683,478</u></u>	<u><u>\$ 4,477,296</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST

EXHIBIT B

STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2023

CHANGES TO NET ASSETS ATTRIBUTED TO:

Investment income:

Net appreciation in fair value of investments	\$ 739,147
Interest and dividends	<u>141,100</u>
Net investment return	<u>880,247</u>

Interest income on notes receivable from participants	<u>5,016</u>
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Contributions:

Employer	530,894
Participants	812,174
Rollovers	<u>98,762</u>

Total contributions	<u>1,441,830</u>
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Deductions:

Benefits paid to participants	(86,078)
Administrative fees	<u>(34,833)</u>

Total deductions	<u>(120,911)</u>
------------------	------------------

NET INCREASE IN NET ASSETS AVAILABLE
FOR BENEFITS

2,206,182

NET ASSETS AVAILABLE FOR BENEFITS,
BEGINNING OF YEAR4,477,296

NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR

\$ 6,683,478

The accompanying Notes to Financial Statements are an integral part of these statements.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST**NOTES TO FINANCIAL STATEMENTS**

Page 1 of 6

A. DESCRIPTION OF THE PLAN

The following description of Talbert Building Supply, Inc. (the “Company”) 401(k) Plan and Trust (the “Plan”) provides only general information. Participants should refer to the Summary Plan Description or Plan document for a more complete description of the Plan’s provisions.

1. General. The Plan is a defined contribution plan covering all eligible employees of the Company, beginning one year from their date of hire. The Plan Administrative Committee of the Company controls and manages the operation and administration of the Plan. LT Trust Company (“LT”) served as the custodian and third-party administrator of the Plan from January 1, 2022, through March 4, 2022; American Trust Company (“American”) served from March 5, 2022, through January 31, 2023; Advisor Trust, Inc. (“Advisor”) served from February 1, 2023, through December 31, 2023. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).
2. Contributions. Each year, participants may elect to contribute up to 100% of their pre-tax annual compensation, as defined by the Plan, subject to Internal Revenue Code (“IRC”) limitations. The limit for 2023 is \$22,500, with an additional “catch-up contribution” of \$7,500, allowed for participants who have attained age 50 before the end of the Plan year. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. For the year ended December 31, 2023, the Company matched 100% of up to 4% of all eligible employees’ compensation, as defined by the Plan. No additional contributions were made for the year ended December 31, 2023.
3. Participant accounts. Each participant’s account is credited with the participant’s contributions and the Company’s contributions, if any, as well as allocations of Plan earnings (losses). Participant accounts are charged with benefit payments and allocations of administrative expenses paid by the Plan. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.
4. Vesting. Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company’s contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is not vested until after three years of credited service, at which time they are 100% vested.
5. Notes receivable from participants. Participants may borrow from their fund accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of the participant’s vested account balance. Loan terms range from one to five years, or a reasonable time determined at the time of the loan for the purchase of a primary residence. The loans are secured by the balance in the participant’s account and bear interest at rates determined by the Plan Administrator, taking into consideration interest rates currently being charged on similar commercial loans by persons in the business of lending money. Principal and interest are paid ratably through payroll deductions.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST**NOTES TO FINANCIAL STATEMENTS**

Page 2 of 6

A. DESCRIPTION OF THE PLAN (CONTINUED)

6. Investment options. Upon enrollment in the Plan, a participant may direct contributions to their account in any combination of investment options, which include interest-bearing cash and mutual funds. Participants may change their investment options daily.
7. Payment of benefits. Upon termination of service due to death, disability, or retirement, a participant whose account exceeds \$5,000 may elect either to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, installments over a period of not more than your assumed life expectancy, or partial withdrawals as provided by the Plan. If the participant's balance does not exceed \$5,000, the vested account balance will only be distributed as a lump-sum payment. Participants may also request a hardship distribution from their vested contributions plus actual earnings thereon. The participant must be currently employed with the Company and qualify for a hardship distribution under the Internal Revenue Service ("IRS") guidelines.
8. Forfeitures. Forfeited nonvested accounts are used to reduce employer matching contributions or offset administrative fees. During 2023, there were forfeitures totaling \$1,218 from nonvested accounts used to reduce administrative fees. There were unused forfeited nonvested accounts of \$1,647 and \$5 at December 31, 2023 and 2022, respectively.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting. The financial statements of the Plan are prepared under the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").
2. Estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates and assumptions, and those differences may be material.
3. Investment valuation and income recognition. Investments are reported at fair value. Fair value is the amount 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 (i.e., the exit price). See Note D for discussion of fair value measurements. The Plan's Investment Committee determines the Plan's valuation policies, utilizing information provided by the investment advisor and LT, American, and Advisor.

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

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

Page 3 of 6

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Notes receivable from participants. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable is recognized using the interest method. Related fees are recorded as administrative expenses and are expensed when they are incurred. Participants are not allowed to take out a loan in excess of half of the fair value of the vested interest in their account. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document. Plan Management does not consider an allowance for credit losses to be necessary based on the nature of the receivables.
5. Benefits. Benefits are recorded when paid.
6. Administrative expenses. The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan document. Certain administrative functions are performed by employees of the Company. No such employee receives compensation from the Plan. Additionally, certain expenses of the Plan, primarily audit and regulatory compliance fees, are paid directly by the Company. As a result, those expenses paid by the Company are not included in the Plan's financial statements. Expenses relating to specific participant transactions (participant loans and distributions) are charged directly to the participant's account.

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the funds' prospectuses. All such fees are charged directly against the funds' investment performance and thus are not separately disclosed in the accompanying financial statements. These fees are included in net appreciation in fair value of investments.

C. INFORMATION PREPARED AND CERTIFIED BY THE CUSTODIANS

The accompanying financial statements and supplemental schedules include the following unaudited information as of December 31, 2023 and 2022, and for the year ended December 31, 2023, that was obtained from data that has been prepared and certified as complete and accurate by LT Trust Company, American Trust Company, and Advisor Trust, Inc.

	<u>2023</u>	<u>2022</u>
Investments, at fair value	\$ 6,590,296	\$ 4,445,416
Notes receivable from participants	64,601	14,132
Net appreciation in fair value of investments	739,147	
Interest and dividends	141,100	
Interest income on notes receivable from participants	5,016	

The certification mentioned above includes all investment information discussed in Note D and in Schedule 1.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST**NOTES TO FINANCIAL STATEMENTS**

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D. FAIR VALUE OF ASSETS

Investments are presented in the financial statements at fair value determined in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 820 (“ASC 820”), *Fair Value Measurement*.

ASC 820 permits reporting entities, as a practical expedient, to estimate the fair value of their investments in certain entities that calculate net asset value (“NAV”) per share, by using NAV if the net asset value per share of the investment is calculated in a manner consistent with the measurement principles of FASB ASC Topic 946, *Financial Services-Investment Companies*, as of the reporting entity’s measurement date.

U.S. GAAP establishes a framework for measuring fair value that includes a 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). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy under Topic 820 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted, unadjusted prices in active markets for identical assets that the Plan can access at the measurement date.

Level 2 – Inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, such as quoted prices for similar assets in active or inactive markets, inputs other than quoted prices that are observable for the asset, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. Fair value for these investments is determined using valuation methodologies that consider a range of factors including, but not limited to, the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. The inputs into the determination of fair value require significant management judgment. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Plan’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

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D. FAIR VALUE OF ASSETS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Mutual funds are 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 U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value on a recurring basis as of December 31, 2023 and 2022:

	Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 118,033	\$ -	\$ -	\$ 118,033
Mutual funds	6,472,263	-	-	6,472,263
Total investments, at fair value	<u>\$ 6,590,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,590,296</u>

	Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 54,646	\$ -	\$ -	\$ 54,646
Mutual funds	4,390,770	-	-	4,390,770
Total investments, at fair value	<u>\$ 4,445,416</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,445,416</u>

E. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits between the financial statements and Schedule H of Form 5500 for the years ended December 31:

	2023	2022
Net assets available for benefits per financial statements	\$ 6,683,478	\$ 4,477,296
Less employer contributions receivable	(17,161)	(6,122)
Less participant contributions receivable	<u>(11,420)</u>	<u>(11,626)</u>
Net assets available for benefits per Form 5500	<u>\$ 6,654,897</u>	<u>\$ 4,459,548</u>

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

Page 6 of 6

E. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

The following is a reconciliation of the change in net assets available for benefits between the financial statements and Schedule H of Form 5500 for the year ended December 31, 2023:

Increase in net assets available for benefits per financial statements	\$ 2,206,182
Less participant contributions receivable at December 31, 2023	(17,161)
Less employer contributions receivable at December 31, 2023	<u>(11,420)</u>
 Increase in net assets available for benefits per Form 5500	 <u>\$ 2,177,601</u>

F. TAX STATUS

The Plan is relying on the IRS approval of the non-standardized prototype plan that it is utilizing. The IRS has determined and informed the custodian by a letter dated June 30, 2020, that the prototype plan document was designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator and Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

G. PLAN TERMINATION

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

H. RISKS AND UNCERTAINTIES

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

I. SUBSEQUENT EVENTS

Management has evaluated subsequent events for recognition or disclosure through October 2, 2024, the date that the financial statements were available to be issued. Management did not identify any events that occurred subsequent to year-end that require disclosure in the financial statements.

SUPPLEMENTAL INFORMATION
For the Year Ended December 31, 2023

SCHEDULE 1

Talbert Building Supply 401(k) Plan and Trust
EIN: 82-2483099 Plan No. 001
Form 5500, Schedule H, Line 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2023

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost**	(e) Current value
	<i>Cash and cash equivalents:</i>			
	Schwab	Schwab Bank Savings	\$ -	\$ 118,034
	<i>Mutual funds:</i>			
	Vanguard	Total Stock Market ETF	-	1,722,104
	iShares	Core MSCI Total Intl Stk ETF	-	966,084
	iShares	Core US Aggregate Bond ETF	-	837,726
	DoubleLine	Total Return Bond I	-	548,210
	Vanguard	Mega Cap ETF	-	306,089
	Causeway	International Small-Cap	-	169,055
	iShares	Core 1-5 Year USD Bond ETF	-	164,466
	JPMorgan	Strategic Income Opports R5	-	163,427
	Driehaus	Small-Cap Growth Institutional	-	146,003
	Touchstone	Small-Cap Value Institutional	-	140,018
	Riverpark	Strategic Income Institutional	-	138,403
	Driehaus	Event Driven	-	128,918
	DoubleLine	Low Dur Emerging Markets Fixed Income I	-	120,900
	Brandywine	Global High Yield I	-	108,213
	Fidelity	500 Index	-	107,536
	iShares	Core High Dividend ETF	-	92,009
	iShares	Core Dividend Growth ETF	-	91,747
	Wasatch	International Opps Instl	-	85,708
	Palm Valley	Capital Fund Investor Class	-	84,166
	William Blair	Large-Cap Growth Class R6	-	58,160
	Vanguard	Mid-Cap Index Admiral	-	56,872
	Vanguard	Small-Cap Index Admiral	-	47,359
	Vanguard	Mid-Cap Growth Index Admiral	-	41,203
	Vanguard	Emerging Markets Stock Index Admiral	-	32,604
	Fidelity	International Index	-	21,715
	Vanguard	Growth Index Admiral	-	17,531
	Vanguard	Small-Cap Value Index Admiral	-	14,700
	T.Rowe Price	Equity Index 500 I	-	11,586
	Congress	Mid-Cap Growth Institutional	-	11,055
	Dodge & Cox	Stock I	-	11,044
	Vanguard	Value Index Admiral	-	8,366
	Fidelity	US Bond Index	-	6,073
	MFS	Value R6	-	4,013
	Virtus Ceredex	Mid-Cap Value Equity R6	-	3,405
	Fidelity	Short-Term Treasury Bond Index	-	2,347
	Vanguard	Mid-Cap Value Index Admiral	-	1,746
	Principal	Real Estate Securities Fd R-6	-	1,701
	* Participant loans***	Interest bearing at 5.25% to 10.00%, maturing through February 2028	-	64,601
	TOTALS		\$ -	\$6,654,897

* Party-in-interest

** Cost information omitted for participant-directed investments.

*** The accompanying financial statements classify participant loans as notes receivable from participants.

SCHEDULE 2

Talbert Building Supply 401(k) Plan and Trust
EIN: 82-2483099 Plan No. 001
Form 5500, Schedule H, Line 4a

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
For the Year Ended December 31, 2023

Plan Year Ending	Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
		Contributions Not Corrected *	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
December 31, 2023	\$ 6,842	\$ -	\$ 6,842	\$ -	\$ -

** The Plan Administrator has elected not to correct the delinquent participant contributions due to their trivial nature.*

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

Roxboro, North Carolina

**AUDITED FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

**AS OF DECEMBER 31, 2023 AND 2022
AND FOR THE YEAR ENDED DECEMBER 31, 2023**



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INDEPENDENT AUDITOR'S REPORT

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To the Plan Administrative Committee of
Talbert Building Supply 401(k) Plan and Trust
Roxboro, North Carolina

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the accompanying financial statements of the Talbert Building Supply 401(k) Plan and Trust (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). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's 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 by a bank or similar institution or insurance carrier that is regulated, serviced, 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).

Management has obtained certifications from a qualified institution as of December 31, 2023 and 2022, and for the year ended December 31, 2023, stating that the certified investment information, as described in Note C to the financial statements, is complete and accurate.

Opinion

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

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

BALANCE & STRATEGY ADVISORS, CPAS LLP

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Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards, 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 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.

Supplemental Schedules Required by ERISA

The supplemental Schedule of Assets (Held at End of Year) at December 31, 2023 and the Schedule of Delinquent Participant Contributions for the year ended December 31, 2023, are presented for the purpose 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 generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule 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).

Balance & Strategy

Chapel Hill, North Carolina
October 2, 2024

TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST

EXHIBIT A

STATEMENTS OF NET ASSETS
AVAILABLE FOR BENEFITS

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS:		
Investments, at fair value	\$ 6,590,296	\$ 4,445,416
Receivables:		
Employer contribution	11,420	6,122
Participant contributions	17,161	11,626
Notes receivable from participants	<u>64,601</u>	<u>14,132</u>
Total receivables	<u>93,182</u>	<u>31,880</u>
TOTAL ASSETS	<u>6,683,478</u>	<u>4,477,296</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 6,683,478</u></u>	<u><u>\$ 4,477,296</u></u>

The accompanying Notes to Financial Statements are an integral part of these statements.

TALBERT BUILDING SUPPLY 401(K) PLAN AND TRUST

EXHIBIT B

STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2023

CHANGES TO NET ASSETS ATTRIBUTED TO:

Investment income:

Net appreciation in fair value of investments	\$ 739,147
Interest and dividends	<u>141,100</u>
Net investment return	<u>880,247</u>

Interest income on notes receivable from participants	<u>5,016</u>
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Contributions:

Employer	530,894
Participants	812,174
Rollovers	<u>98,762</u>

Total contributions	<u>1,441,830</u>
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Deductions:

Benefits paid to participants	(86,078)
Administrative fees	<u>(34,833)</u>

Total deductions	<u>(120,911)</u>
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NET INCREASE IN NET ASSETS AVAILABLE
FOR BENEFITS

2,206,182

NET ASSETS AVAILABLE FOR BENEFITS,
BEGINNING OF YEAR4,477,296

NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR

\$ 6,683,478

The accompanying Notes to Financial Statements are an integral part of these statements.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST**NOTES TO FINANCIAL STATEMENTS**

Page 1 of 6

A. DESCRIPTION OF THE PLAN

The following description of Talbert Building Supply, Inc. (the “Company”) 401(k) Plan and Trust (the “Plan”) provides only general information. Participants should refer to the Summary Plan Description or Plan document for a more complete description of the Plan’s provisions.

1. General. The Plan is a defined contribution plan covering all eligible employees of the Company, beginning one year from their date of hire. The Plan Administrative Committee of the Company controls and manages the operation and administration of the Plan. LT Trust Company (“LT”) served as the custodian and third-party administrator of the Plan from January 1, 2022, through March 4, 2022; American Trust Company (“American”) served from March 5, 2022, through January 31, 2023; Advisor Trust, Inc. (“Advisor”) served from February 1, 2023, through December 31, 2023. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).
2. Contributions. Each year, participants may elect to contribute up to 100% of their pre-tax annual compensation, as defined by the Plan, subject to Internal Revenue Code (“IRC”) limitations. The limit for 2023 is \$22,500, with an additional “catch-up contribution” of \$7,500, allowed for participants who have attained age 50 before the end of the Plan year. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. For the year ended December 31, 2023, the Company matched 100% of up to 4% of all eligible employees’ compensation, as defined by the Plan. No additional contributions were made for the year ended December 31, 2023.
3. Participant accounts. Each participant’s account is credited with the participant’s contributions and the Company’s contributions, if any, as well as allocations of Plan earnings (losses). Participant accounts are charged with benefit payments and allocations of administrative expenses paid by the Plan. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.
4. Vesting. Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company’s contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is not vested until after three years of credited service, at which time they are 100% vested.
5. Notes receivable from participants. Participants may borrow from their fund accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of the participant’s vested account balance. Loan terms range from one to five years, or a reasonable time determined at the time of the loan for the purchase of a primary residence. The loans are secured by the balance in the participant’s account and bear interest at rates determined by the Plan Administrator, taking into consideration interest rates currently being charged on similar commercial loans by persons in the business of lending money. Principal and interest are paid ratably through payroll deductions.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST**NOTES TO FINANCIAL STATEMENTS**

Page 2 of 6

A. DESCRIPTION OF THE PLAN (CONTINUED)

6. Investment options. Upon enrollment in the Plan, a participant may direct contributions to their account in any combination of investment options, which include interest-bearing cash and mutual funds. Participants may change their investment options daily.
7. Payment of benefits. Upon termination of service due to death, disability, or retirement, a participant whose account exceeds \$5,000 may elect either to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account, installments over a period of not more than your assumed life expectancy, or partial withdrawals as provided by the Plan. If the participant's balance does not exceed \$5,000, the vested account balance will only be distributed as a lump-sum payment. Participants may also request a hardship distribution from their vested contributions plus actual earnings thereon. The participant must be currently employed with the Company and qualify for a hardship distribution under the Internal Revenue Service ("IRS") guidelines.
8. Forfeitures. Forfeited nonvested accounts are used to reduce employer matching contributions or offset administrative fees. During 2023, there were forfeitures totaling \$1,218 from nonvested accounts used to reduce administrative fees. There were unused forfeited nonvested accounts of \$1,647 and \$5 at December 31, 2023 and 2022, respectively.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting. The financial statements of the Plan are prepared under the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").
2. Estimates. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates and assumptions, and those differences may be material.
3. Investment valuation and income recognition. Investments are reported at fair value. Fair value is the amount 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 (i.e., the exit price). See Note D for discussion of fair value measurements. The Plan's Investment Committee determines the Plan's valuation policies, utilizing information provided by the investment advisor and LT, American, and Advisor.

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

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

Page 3 of 6

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Notes receivable from participants. Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable is recognized using the interest method. Related fees are recorded as administrative expenses and are expensed when they are incurred. Participants are not allowed to take out a loan in excess of half of the fair value of the vested interest in their account. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document. Plan Management does not consider an allowance for credit losses to be necessary based on the nature of the receivables.
5. Benefits. Benefits are recorded when paid.
6. Administrative expenses. The Plan's administrative expenses are paid by either the Plan or the Company, as provided by the Plan document. Certain administrative functions are performed by employees of the Company. No such employee receives compensation from the Plan. Additionally, certain expenses of the Plan, primarily audit and regulatory compliance fees, are paid directly by the Company. As a result, those expenses paid by the Company are not included in the Plan's financial statements. Expenses relating to specific participant transactions (participant loans and distributions) are charged directly to the participant's account.

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the funds' prospectuses. All such fees are charged directly against the funds' investment performance and thus are not separately disclosed in the accompanying financial statements. These fees are included in net appreciation in fair value of investments.

C. INFORMATION PREPARED AND CERTIFIED BY THE CUSTODIANS

The accompanying financial statements and supplemental schedules include the following unaudited information as of December 31, 2023 and 2022, and for the year ended December 31, 2023, that was obtained from data that has been prepared and certified as complete and accurate by LT Trust Company, American Trust Company, and Advisor Trust, Inc.

	<u>2023</u>	<u>2022</u>
Investments, at fair value	\$ 6,590,296	\$ 4,445,416
Notes receivable from participants	64,601	14,132
Net appreciation in fair value of investments	739,147	
Interest and dividends	141,100	
Interest income on notes receivable from participants	5,016	

The certification mentioned above includes all investment information discussed in Note D and in Schedule 1.

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST**NOTES TO FINANCIAL STATEMENTS**

Page 4 of 6

D. FAIR VALUE OF ASSETS

Investments are presented in the financial statements at fair value determined in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 820 (“ASC 820”), *Fair Value Measurement*.

ASC 820 permits reporting entities, as a practical expedient, to estimate the fair value of their investments in certain entities that calculate net asset value (“NAV”) per share, by using NAV if the net asset value per share of the investment is calculated in a manner consistent with the measurement principles of FASB ASC Topic 946, *Financial Services-Investment Companies*, as of the reporting entity’s measurement date.

U.S. GAAP establishes a framework for measuring fair value that includes a 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). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy under Topic 820 are described as follows:

Level 1 – Inputs to the valuation methodology are quoted, unadjusted prices in active markets for identical assets that the Plan can access at the measurement date.

Level 2 – Inputs other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, such as quoted prices for similar assets in active or inactive markets, inputs other than quoted prices that are observable for the asset, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Pricing inputs are unobservable and include situations where there is little, if any, market activity for the investment. Fair value for these investments is determined using valuation methodologies that consider a range of factors including, but not limited to, the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. The inputs into the determination of fair value require significant management judgment. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Plan’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

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NOTES TO FINANCIAL STATEMENTS

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D. FAIR VALUE OF ASSETS (CONTINUED)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Mutual funds are 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 U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value on a recurring basis as of December 31, 2023 and 2022:

	Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 118,033	\$ -	\$ -	\$ 118,033
Mutual funds	6,472,263	-	-	6,472,263
Total investments, at fair value	<u>\$ 6,590,296</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,590,296</u>

	Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 54,646	\$ -	\$ -	\$ 54,646
Mutual funds	4,390,770	-	-	4,390,770
Total investments, at fair value	<u>\$ 4,445,416</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,445,416</u>

E. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits between the financial statements and Schedule H of Form 5500 for the years ended December 31:

	2023	2022
Net assets available for benefits per financial statements	\$ 6,683,478	\$ 4,477,296
Less employer contributions receivable	(17,161)	(6,122)
Less participant contributions receivable	<u>(11,420)</u>	<u>(11,626)</u>
Net assets available for benefits per Form 5500	<u>\$ 6,654,897</u>	<u>\$ 4,459,548</u>

TALBERT BUILDING SUPPLY 401(k) PLAN AND TRUST

NOTES TO FINANCIAL STATEMENTS

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E. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (CONTINUED)

The following is a reconciliation of the change in net assets available for benefits between the financial statements and Schedule H of Form 5500 for the year ended December 31, 2023:

Increase in net assets available for benefits per financial statements	\$ 2,206,182
Less participant contributions receivable at December 31, 2023	(17,161)
Less employer contributions receivable at December 31, 2023	<u>(11,420)</u>
 Increase in net assets available for benefits per Form 5500	 <u><u>\$ 2,177,601</u></u>

F. TAX STATUS

The Plan is relying on the IRS approval of the non-standardized prototype plan that it is utilizing. The IRS has determined and informed the custodian by a letter dated June 30, 2020, that the prototype plan document was designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator and Plan's tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

G. PLAN TERMINATION

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

H. RISKS AND UNCERTAINTIES

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

I. SUBSEQUENT EVENTS

Management has evaluated subsequent events for recognition or disclosure through October 2, 2024, the date that the financial statements were available to be issued. Management did not identify any events that occurred subsequent to year-end that require disclosure in the financial statements.

SUPPLEMENTAL INFORMATION
For the Year Ended December 31, 2023

SCHEDULE 1

Talbert Building Supply 401(k) Plan and Trust
EIN: 82-2483099 Plan No. 001
Form 5500, Schedule H, Line 4i

SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2023

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost**	(e) Current value
	<i>Cash and cash equivalents:</i>			
	Schwab	Schwab Bank Savings	\$ -	\$ 118,034
	<i>Mutual funds:</i>			
	Vanguard	Total Stock Market ETF	-	1,722,104
	iShares	Core MSCI Total Intl Stk ETF	-	966,084
	iShares	Core US Aggregate Bond ETF	-	837,726
	DoubleLine	Total Return Bond I	-	548,210
	Vanguard	Mega Cap ETF	-	306,089
	Causeway	International Small-Cap	-	169,055
	iShares	Core 1-5 Year USD Bond ETF	-	164,466
	JPMorgan	Strategic Income Opports R5	-	163,427
	Driehaus	Small-Cap Growth Institutional	-	146,003
	Touchstone	Small-Cap Value Institutional	-	140,018
	Riverpark	Strategic Income Institutional	-	138,403
	Driehaus	Event Driven	-	128,918
	DoubleLine	Low Dur Emerging Markets Fixed Income I	-	120,900
	Brandywine	Global High Yield I	-	108,213
	Fidelity	500 Index	-	107,536
	iShares	Core High Dividend ETF	-	92,009
	iShares	Core Dividend Growth ETF	-	91,747
	Wasatch	International Opps Instl	-	85,708
	Palm Valley	Capital Fund Investor Class	-	84,166
	William Blair	Large-Cap Growth Class R6	-	58,160
	Vanguard	Mid-Cap Index Admiral	-	56,872
	Vanguard	Small-Cap Index Admiral	-	47,359
	Vanguard	Mid-Cap Growth Index Admiral	-	41,203
	Vanguard	Emerging Markets Stock Index Admiral	-	32,604
	Fidelity	International Index	-	21,715
	Vanguard	Growth Index Admiral	-	17,531
	Vanguard	Small-Cap Value Index Admiral	-	14,700
	T.Rowe Price	Equity Index 500 I	-	11,586
	Congress	Mid-Cap Growth Institutional	-	11,055
	Dodge & Cox	Stock I	-	11,044
	Vanguard	Value Index Admiral	-	8,366
	Fidelity	US Bond Index	-	6,073
	MFS	Value R6	-	4,013
	Virtus Ceredex	Mid-Cap Value Equity R6	-	3,405
	Fidelity	Short-Term Treasury Bond Index	-	2,347
	Vanguard	Mid-Cap Value Index Admiral	-	1,746
	Principal	Real Estate Securities Fd R-6	-	1,701
	* Participant loans***	Interest bearing at 5.25% to 10.00%, maturing through February 2028	-	64,601
	TOTALS		\$ -	\$6,654,897

* Party-in-interest

** Cost information omitted for participant-directed investments.

*** The accompanying financial statements classify participant loans as notes receivable from participants.

SCHEDULE 2

Talbert Building Supply 401(k) Plan and Trust
EIN: 82-2483099 Plan No. 001
Form 5500, Schedule H, Line 4a

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
For the Year Ended December 31, 2023

Plan Year Ending	Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
		Contributions Not Corrected *	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
December 31, 2023	\$ 6,842	\$ -	\$ 6,842	\$ -	\$ -

** The Plan Administrator has elected not to correct the delinquent participant contributions due to their trivial nature.*