

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 DESOTO SALES, INC. 401(K) PROFIT SHARING PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 02/01/1998
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) DESOTO SALES, INC. 20945 OSBORNE ST CANOGA PARK, CA 91304
2b	Employer Identification Number (EIN) 95-3386654
2c	Plan Sponsor's telephone number 818-998-0853
2d	Business code (see instructions) 424950

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.	10/14/2024	SCOTT AARON
	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	5 142
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) 111 6a(2) 119 6b 1 6c 29 6d 149 6e 1 6f 150 6g(1) 139 6g(2) 148 6h 3
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:

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

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 1
- (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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance 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. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan DESOTO SALES, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 DESOTO SALES, INC.	D Employer Identification Number (EIN) 95-3386654	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions	Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier TRANSAMERICA FINANCIAL LIFE INS CO

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
36-6071399	70688	517218	148	01/01/2023	12/31/2023

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
--

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 3027464**5** Current value of plan's interest under this contract in separate accounts at year end..... **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year..... **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
Specify nature of costs ▶**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☒ other ▶ STABLE VALUE OPTION**b** Balance at the end of the previous year **7b** 2806546**c** Additions: (1) Contributions deposited during the year **7c(1)** 172286
(2) Dividends and credits **7c(2)** 35200
(3) Interest credited during the year **7c(3)**
(4) Transferred from separate account..... **7c(4)**
(5) Other (specify below) **7c(5)** 311357

▶ FIXED FUND TRANSFERS IN, STABLE FORFEITURES, AND ADDITIONS TO FORFEITURES

(6) Total additions **7c(6)** 518843**d** Total of balance and additions (add lines **7b** and **7c(6)**). **7d** 3325389**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 256304(2) Administration charge made by carrier **7e(2)** 934(3) Transferred to separate account..... **7e(3)**(4) Other (specify below) **7e(4)** 40687

▶ FIXED FUND TRANSFER OUT, AND OTHER EXPENSES FROM UNALLOCATED ASSETS

(5) Total deductions **7e(5)** 297925**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 3027464

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
b ☐ Dental
c ☐ Vision
d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
f ☐ Long-term disability
g ☐ Supplemental unemployment
h ☐ Prescription drug
i ☐ Stop loss (large deductible)
j ☐ HMO contract
k ☐ PPO contract
l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A?..... ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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 DESOTO SALES, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 DESOTO SALES, INC.	D Employer Identification Number (EIN) 95-3386654	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS
13-3689044

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
MERRILL LYNCH, PIERCE, FENNER AND S
13-5674085

(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)

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

(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?
15 37 52 62 64 67	RECORDKEEPER	38607	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 DESOTO SALES, INC. 401(K) PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 DESOTO SALES, INC.		
D Employer Identification Number (EIN) 95-3386654		

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)	412675	409782
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	871	904
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	10213109	11317722
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	2806546	3027464
(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	13433201	14755872
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	13433201	14755872

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)	586274	
(B) Participants	2a(1)(B)	492337	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1078611
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	84	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	35200	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		35284
(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)	260812	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		260812
(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)		1353911
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		2728618

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1367340	
(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)		1367340
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)		
(3) Recordkeeping fees.....	2i(3)	38607	
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(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)		38607
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1405947

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1322671
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: **WDC & ASSOCIATES, LLP**

(2) EIN: **45-4767546**

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.)	☒	☐	21678
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?	☒	☐	1100000
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 DESOTO SALES, INC. 401(K) PROFIT SHARING PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 DESOTO SALES, INC.		D Employer Identification Number (EIN) 95-3386654
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): 13-3689044		
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>Q704148A</u> .	

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULES**

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

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INDEPENDENT AUDITOR'S REPORT

To the Plan Sponsor and Participants
DeSoto Sales, Inc.
401(k) Profit Sharing Plan

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

We have performed audits of the accompanying financial statements of DeSoto Sales, Inc. 401(k) Profit Sharing 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 statement 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 audits of DeSoto Sales, Inc. 401(k) Profit Sharing 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 audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution (Reliance Trust) that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution (Reliance Trust) 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 Reliance Trust 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 5 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 (Reliance Trust) that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of DeSoto Sales, Inc. 401(k) Profit Sharing Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about DeSoto Sales, Inc. 401(k) Profit Sharing 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 for the Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 DeSoto Sales, Inc. 401(k) Profit Sharing 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 DeSoto Sales, Inc. 401(k) Profit Sharing Plan's ability to continue as a going concern for a reasonable period of time.

Our audits 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.

Other Matter - Supplemental Schedules Required by ERISA

The supplemental Schedule H, Line 4a – Schedule of Delinquent Participant Contribution and Schedule H, Line 4i – Schedule of Assets Held at December 31, 2023 are presented for 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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 schedules related to assets held by and certified to by a qualified institution (Reliance Trust) 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).

A handwritten signature in cursive script that reads "WDC & Associates, LLP".

WDC & Associates, LLP
Certified Public Accountants
Los Angeles, California
October 9, 2024

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Investments, at fair value:	<u>\$ 14,345,186</u>	<u>\$ 13,019,655</u>
Cash:	<u>904</u>	<u>871</u>
Receivables:		
Employer contribution	<u>409,782</u>	<u>412,675</u>
Total assets	14,755,872	13,433,201
Liabilities:		
Participants benefit payable	<u>384</u>	<u>-</u>
Total liabilities	<u>384</u>	<u>-</u>
Net Assets Available for Benefits	<u><u>\$ 14,755,488</u></u>	<u><u>\$ 13,433,201</u></u>

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

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2023

	<u>2023</u>
Additions:	
Investment Income:	
Net appreciation in fair value of investments	\$ 1,340,518
Interest and dividends	<u>296,103</u>
Total investment income	<u>1,636,621</u>
Contributions:	
Employer	586,273
Participants	<u>492,337</u>
Total contributions	<u>1,078,610</u>
Total additions	<u>2,715,231</u>
Deductions:	
Benefits paid to participants	1,367,724
Administrative expenses	<u>25,220</u>
Total deductions	<u>1,392,944</u>
Net Increase in Net Assets Available for Benefits	1,322,287
Net Assets Available for Benefits:	
Beginning of Year	<u>13,433,201</u>
End of Year	<u><u>\$ 14,755,488</u></u>

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

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

1. DESCRIPTION OF THE PLAN

The following description of the DeSoto Sales, Inc. 401(k) Profit Sharing Plan (“the Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General: The Plan is a 401(k) and profit sharing plan covering substantially all eligible employees of Desoto Sales, Inc. (“the Company”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The Plan was restated on April 13, 2022.

Eligibility: Employees are eligible to voluntarily contribute to the Plan if they are at least 21 years old and completed three months of service. Employees can enroll in the Plan beginning on the first day of the month coinciding with or next following the date they become eligible.

To be eligible for employer matching contributions, employees must be at least 21 years old and completed one period of service. Period of service is defined as “twelve months have passed since the date of hire”.

To be eligible for profit-sharing contributions, employees must meet all the eligibility requirements as employer matching contributions, and, in addition, employees must be employed on the last day of the Plan year. However, participants who are not employed on the last day of the Plan year resulting from death, total and permanent disability, or termination of employment on or after the normal retirement age is still eligible to receive employer profit-sharing contributions assuming the remaining eligibility requirements are met.

Plan Administration: DeSoto Sales, Inc. is the Plan sponsor and Transamerica Retirement Solutions, LLC is the third-party Plan administrator and recordkeeper. Together they are responsible for Plan compliance with the provisions of ERISA. Transamerica Financial Life Insurance Company (“Transamerica”) is the Plan custodian. Reliance Trust Company (“Reliance”) is the Plan trustee.

Plan Compliance: Transamerica Retirement Solutions LLC, the third-party Plan administrator, performs annual compliance tests. In 2023, the Plan passed all the tests.

Contributions: Participants may elect to contribute to the Plan based on a percentage of their annual earnings, subject to limitations defined in the Internal Revenue Code (IRC). In addition, in any calendar year in which a participant is age 50 or above, an additional “catch-up contribution” may be made.

The Plan allows participants to roll over balances from other retirement accounts.

The Plan provides for employer matching of participant contributions. The Plan sponsor’s discretionary matching contributions were 50% of employees’ deferral, up to 3% of eligible compensation. The total matching contribution for the Plan year 2023 was approximately \$183,000.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

1. DESCRIPTION OF THE PLAN (Continued)

The Company also makes discretionary profit sharing contributions to the Plan. The profit sharing contribution declared for 2023, which was received by the Plan in 2024, was approximately \$403,000. The profit sharing contribution declared in 2022, which was received by the Plan in 2023, was approximately \$405,000.

Investments: The Plan provides participants a variety of investment options through the plan investment advisor, Merrill Lynch, Pierce, Fenner & Smith Incorporated. Participants direct the investment of all contributions into various investment options offered by the Plan. Participants may change their investment options at any time. As of December 31, 2023, the Plan offered diversified investments in mutual funds and stable value options offered by Transamerica as investment options for participants.

Participant Accounts: Each participant's account is credited with their voluntary contribution, the Company's matching contribution and an allocation of the Company's discretionary profit-sharing contribution and plan earnings. Allocations of the discretionary profit-sharing contributions are allocated based on a percentage of the participant eligible wages, as defined. Allocations of plan earnings are based on actual earnings on participant-directed investments. Each Participant's accounts is charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances or specific participant transactions, as defined. The benefit to which a participant entitled to is the benefit that can be provided from the participant's vested account.

Vesting: Participants are immediately vested in their voluntary and rollover contributions, plus actual earnings thereon. Vesting in the employer's matching contributions and the discretionary profit-sharing contributions, plus actual earnings thereon, of their accounts is based on the number of years of continuous service. A participant is 100% vested after 6 years of credited service, or upon death or disability. The vesting schedule is shown below:

Vesting Year	% of Vesting
0-1	0%
2	20%
3	40%
4	60%
5	80%
6	100%

Payment of Benefits: Amounts contributed through salary or wage reductions may be withdrawn by, or distributed to, a participant only upon (1) termination of employment or (2) attaining the age of 59½. Withdrawals prior to attaining age 59½ are not permitted, except in the event of death, disability, or as a hardship distribution. Upon proof, to the satisfaction of the plan administrator, of an immediate and heavy financial need, amounts contributed may be withdrawn for a hardship purpose. Certain income tax penalties may apply to withdrawals or distributions prior to age 59½. Upon termination of service, benefit payments may be made as lump-sum, partial lump-sum, or installment payments. In-service and hardship distributions are permitted if certain criteria are met.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

1. DESCRIPTION OF THE PLAN (Continued)

Participant Loans: The Plan does not allow for participants to borrow from their fund accounts.

Forfeitures: Generally, when a participant terminates participation in the plan, the non-vested portion of the participant's account, as defined by the plan, represents a forfeiture. Forfeitures are utilized to reduce future employer contributions or pay for the plan expense. However, if the participant is reemployed and fulfills certain requirements, as defined in the plan, the participant's account will be reinstated. During 2023 plan year, approximately \$10,000 non-vested balance was transferred to the forfeiture account. For the years ending December 31, 2023 and 2022, net assets available for benefits include a forfeiture balance of \$0 and \$6,924 respectively. During 2023 the Plan used \$17,000 funds in forfeiture account to pay for administrative expense. The forfeiture balance is recorded in an unallocated account and invested in Transamerica general account stable fund.

Expense and Budget Account (EBA): The EBA account is established for the purpose of paying plan expenses. Transamerica Retirement Solutions LLC (TRS – recordkeeper) credits a portion of the amount received from the investment provider and uses the credits to pay necessary and reasonable plan-related administrative expenses. The EBA account is in cash account. For the years ending December 31, 2023 and 2022, there was balance of \$7 and \$0, respectively in the account. During 2023, the Plan paid approximately \$13,000 administrative expenses from EBA account.

Advanced Employer Account (AEA): A deposit for which insufficient instructions have been provided is kept in AEA account. For the years ending December 31, 2023 and 2022, the balance in the account was \$897 and \$871, respectively. These balances are included within the cash account within the balance sheet presented as of December 31, 2023 and as of December 31, 2022.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

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

Investment Valuation and Income Recognition: The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisors, trustee, and recordkeeper. See Note 4 for discussion of fair value measurements. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Excess Contributions Payable: Amounts payable to participants for contributions in excess of amounts allowed by IRS are recorded as a liability with a corresponding reduction to contributions. For the year ended December 31, 2023 and December 31, 2022, there was no excess contribution.

Benefit Payments: Benefits are recorded when paid. The voided uncashed benefit payments are recorded as participants benefit payable. For the year ended December 31, 2023, there were \$384 uncashed checks voided and expected to be re-issued in 2024.

Administrative Expenses: The general administration and investment fees are paid by the plan participants proportionally based on the value of account balance. Participants may be assessed fees directly associated with administration of their individual accounts, including fees related to the processing of distributions. Such expenses are classified as administrative expense (net of credits from plan investment advisor) and reported on the Statement of Changes in Net Assets Available for Benefits. Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. The Company is not going to seek the reimbursement from the Plan.

Accounting Pronouncement-Adopted: In June 2016, the FASB issued guidance ASC 326 which significantly changed how entities measure credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss models. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Plan that are subject to the guidance in FASB ASC 326 are guaranteed investment contracts. The Company adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements.

3. GROUP ANNUITY CONTRACT WITH TRANSAMERICA LIFE INSURANCE COMPANY

Fully benefit-responsive investment contracts are required to be reported at contract value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. Contract value represents the cost-plus contributions made under the contract, plus interest at the contract rates less withdrawals and administrative expenses. This specifically affects the presentation of the amounts related to the Plan's participation in the guaranteed interest account. The statements of net assets available for benefits present the contract value of the guaranteed interest account.

The Plan holds investments in a fully benefit-responsive investment contract Transamerica's Stable Value Option with Transamerica (totaling \$3,027,464 for 2023 and \$2,806,546 for 2022). Transamerica maintains the contributions in a general account. The Stable Value Option, as a deposit liability of Transamerica with no underlying assets, would have no direct investments on behalf of the Plan. The Stable Value Option investment is not considered a Guaranteed Interest Contract or Common Collective Trust. It is like Money Market or CD type investment. The interest is credited based upon the daily

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

3. GROUP ANNUITY CONTRACT WITH TRANSAMERICAN LIFE INSURANCE COMPANY (Continued)

balance, at a rate that is the daily equivalent of the effective annual rate of interest applicable for the six-month period. FASB indicates the assets are fairly valued at contract value.

The interest rate is determined semi-annually on January 1st and July 1st. There is no stated minimum or maximum interest rate. For the year ended December 31, 2023, the interest varies from 1.10% - 1.25%. The average yield earned by the Plan, calculated by dividing the annual interest credited to the Plan during the year by the average annual fair value, was 1.175% as of December 31, 2023.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its contractual obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments. Based on ongoing credit evaluations of these investments, the Company does not expect payment defaults or delinquencies and has not recorded an allowance for credit losses for these investments as of December 31, 2023.

Certain events limit the ability of the Plan and/or participants to transact at contract value with the issuer. Such events include the following: (1) temporary absence, (2) change in position or other occurrence qualifying as a temporary break in service under the Plan, (3) transfer or other change in position resulting in employment by an entity controlling, controlled by, or under common control of the Company, (4) cessation of an employment relationship resulting from a reorganization, merger, layoff, or the sale or discontinuance of all or any part of the Company's business, (5) removal from the Plan of one or more groups or classifications of participants, (6) partial or complete Plan termination, (7) Plan disqualification, or (8) a significant decline in creditworthiness of Transamerica. The Plan administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are not probable of occurring.

4. FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, provides a single definition of fair value for accounting purposes, establishes a consistent framework for measuring fair value, and expands disclosure requirements about fair value measurements. ASC 820 defines fair value as the value 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.

Pursuant to ASC 820, each of the Plan's fair value measurements are categorized using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

4. FAIR VALUE MEASUREMENTS (Continued)

Level 2: Inputs to the valuation methodology include:

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

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

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. The Plan has no Level 3 assets at December 31, .

The assets or liabilities fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable input and minimize the use of unobservable inputs.

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

Mutual Funds: Mutual funds owned by the plan as of December 31, 2023 and 2022 were valued at the quoted net asset value of shares held by the Plan at year-end. Net asset value per unit is determined each business day based on quoted market price and included in level 1 hierarchy (below). Issuance and redemptions of units are recorded normally each day upon receipt of unitholder's instructions in good order and based on the next determined net asset value per unit. Investments in the mutual funds can be redeemed with no advance notice on any day on which the relevant stock exchange is open for trading.

Stable Value Option: Transamerica Stable Value Option owned by the Plan as of December 31, 2023 and 2022 were valued at the contract value. It is a deposit liability with no formal underlying maturities. The redemption is daily and the redemption notice period is daily. It is considered fairly valued at contract value pursuant to SOP 94-4-1 and FAS 107 guidance.

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

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN**NOTES TO THE FINANCIAL STATEMENTS****DECEMBER 31, 2023 AND 2022****4. FAIR VALUE MEASUREMENTS (Continued)**

A summary of the Plan's assets by investment fund type and hierarchy is shown below:

Investments at fair value	Investments at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 11,317,722	\$ -	\$ -	\$ 11,317,722
Stable value option	-	3,027,464	-	3,027,464
Total investments at fair value	\$ 11,317,722	\$ 3,027,464	\$ -	\$ 14,345,186

Investments at fair value	Investments at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 10,213,109	\$ -	\$ -	\$ 10,213,109
Stable value option	-	2,806,546	-	2,806,546
Total investments at fair value	\$ 10,213,109	\$ 2,806,546	\$ -	\$ 13,019,655

5. INVESTMENTS AND CERTIFICATION BY TRUSTEE (UNAUDITED)

The plan management has elected the method of compliance permitted by 29 CFR § 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan management instructed the plan's independent auditors not to perform any auditing procedures with respect to the information certified by Reliance Trust as complete and accurate, except for comparing the information with the related information included in the financial statements and supplemental schedule.

As of December 31, 2023 and 2022, Reliance Trust has certified to the completeness and accuracy of the following data included in the accompanying financial statements.

- Investments, at fair value, as shown in the statement of net assets available for benefits as of December 31, 2023 and 2022.
- Net appreciation (depreciation) in fair value of investments, interest and dividend income, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2023.

The following is a summary of financial information reflected in the Plan financial statements as certified by Reliance Trust as of December 31, 2023 and 2022, and for the year ended December 31, 2023, in accordance with 29 CFR § 2520.103-5(c) of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

5. INVESTMENTS AND CERTIFICATION BY TRUSTEE (UNAUDITED) (Continued)

	<u>2023</u>	December 31, <u>2022</u>
Investments, at fair value:		
Mutual funds	\$ 11,317,722	\$ 10,213,109
TFLIC Stable Value Account	3,027,464	2,806,546
Total assets certified	<u>\$ 14,345,186</u>	<u>\$ 13,019,655</u>
		<u>Year Ended December 31, 2023</u>
Investment income:		
Net appreciation in fair value of investments		\$ 1,375,718
Dividends		260,903
Total investment income certified (A)		<u>\$ 1,636,621</u>

(A) The earnings of \$35,200 from Transamerica Stable Value Option is reported in interest and dividends in Statement of Changes in Net Assets Available for Benefits, while the amount is reported in net appreciation in fair value of investments per trust certification.

6. RELATED PARTY AND PARTIES-IN-INTEREST TRANSACTIONS

In 2023, the Plan received credits of \$13,387 from Merrill Lynch, the Plan investment advisor. The credits were deposited in Expense Budget Accounts (EBA) and used to pay for the Plan administrative expenses.

In 2023, the Plan paid Transamerica Retirement Solutions, LLC, the Plan recordkeeper, a service fee of \$31,137. The expense is paid by funds in EBA account and forfeiture account. The net expense (net of Merrill Lynch credits) of \$25,220 is reported as administrative expense on the Statement of Changes in Net Assets Available for Benefits.

In 2023, the Plan offered Transamerica General Account Stable Value Fund as one of the investment options. As of December 31, 2023, the Plan invested \$3,027,464 in the fund, which consists of approximately 21% of the total investment at fair value.

These transactions with parties-in-interest for the years ended December 31, 2023 were exempt from the prohibited transaction rules under ERISA.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the authority to terminate the Plan subject to the provisions of ERISA. If the Plan is terminated, participants will become 100% vested in their accounts.

8. TAX STATUS

The Plan is governed by a standardized plan document that received its most recent favorable opinion letter from the Internal Revenue Service (IRS) on June 30 2020, which stated that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan administrator believes that the Plan is qualified, and the related trust is tax-exempt as of the financial statement date.

The Plan is subject to routine audits by taxing jurisdictions. As of December 31, 2023, the Plan has not been advised that any of its tax filings will be audited. As of December 31, 2023 the Plan's tax returns generally remain open for examination for the last three years.

9. RISK AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities could 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.

For the year ended December 31, 2023, the Plan holds three investments consist of approximately 42% of the total investments at fair value.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2023 and 2022, to Form 5500:

	December 31,	
	<u>2023</u>	<u>2022</u>
Net assets available for benefits per financial statements	\$ 14,755,488	\$ 13,433,201
Add: Voided uncashed participant benefit payment	<u>384</u>	<u>-</u>
Net assets available for benefits per Form 5500	<u>\$ 14,755,872</u>	<u>\$ 13,433,201</u>

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (Continued)

The following is a reconciliation of distribution per the financial statements for the year ended December 31, 2023, to Form 5500:

Benefits paid to participants per the financial statements	\$ 1,367,724
Less: Voided uncashed participant benefit payment	<u>(384)</u>
Benefits paid to participants per Form 5500	<u><u>\$ 1,367,340</u></u>

11. SUBSEQUENT EVENTS

The management has evaluated subsequent events through October 9, 2024, which is the date the financial statements were available to be issued. The following event occurred subsequent to December 31, 2023.

- In June 2024, the plan trustee changed from Reliance Trust to Transamerica Trust Company.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTION
(Form 5500 Schedule H, Part IV, Line 4a)

EIN: 95-3386654 PLAN NUMBER: 001

DECEMBER 31, 2023

Participant contribution transferred late to plan				Total that constitutes nonexempt prohibited transactions			Contribution corrected under VFCP and PTE 2002-51
Date withheld	Date remitted	Total amount withheld	Check if participant loan repayments are included	Contributions not corrected	Contribution corrected outside the VFCP	Contribution pending correction in VFCP	
10/06/2023	11/03/2023	\$ 21,678		\$ 21,678	\$ -	\$ -	\$ -

Note:

The Plan typically remits participant contribution to the participant investment account within 7 days from the date withheld from participant's payroll. The above schedule is reporting delinquent contributions of which the remittance exceeds 7 days.

DESOTO SALES, INC. 401(k) PROFIT SHARING PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(Form 5500 Schedule H, Part IV, Line 4i)

EIN: 95-3386654 PLAN NUMBER: 001

DECEMBER 31, 2023

(a)	(b)	(c)	(d)	(e)
*	<i>Identity of issuer, borrower, lessor, or similar party</i>	<i>Description of investment including maturity date, rate of interest, collateral, par or maturity value</i>	<i>Cost</i>	<i>Current Value</i>
	Allspring Global Investments	Allspring Special Mid Cap Value A	**	\$ 251,584
	American Funds	American Funds American Mutual R4	**	1,500,992
	American Funds	American Funds New World R4	**	218,287
	BlackRock	BlackRock Inflation Protected Bond Inv A	**	533,589
	BlackRock	BlackRock Total Return Inv A	**	1,172,658
	BlackRock	iShares MSCI Total International Index K	**	253,042
	BlackRock	iShares Russell 2000 Small-Cap Index K	**	194,020
	BlackRock	iShares Russell Mid Cap Index K	**	110,868
	BlackRock	iShares S&P 500 Index Instl	**	1,058,269
	Hartford Mutual Funds	Hartford International Opportunities R5	**	182,323
	Invesco	Invesco Global A	**	276,500
	Invesco	Invesco Real Estate A	**	129,268
	Janus Henderson	Janus Henderson Triton A	**	240,693
	JPMorgan	JPMorgan Govt Bond R3	**	526,775
	JPMorgan	JPMorgan US Equity R3	**	868,282
	MFS	MFS Growth A	**	1,539,935
	Neuberger Berman	Neuberger Berman Mid Cap Growth Fund Class A	**	151,603
	PGIM Investments	PGIM High Yield A	**	610,028
	PGIM Investments	PGIM Jennison Small Company A	**	113,732
	PIMCO	PIMCO Income A	**	1,166,807
	Victory Capita	Victory Munder International Sm-Cp A	**	218,468
*	Transamerica Financial Life Insurance Company	Transamerica Stable Value Option	**	3,027,464
		TOTAL (i)		\$ 14,345,186

* A party-in-interest

** Historical cost information is not required for participant-directed investments.

Desoto Sales, Inc. 401(k) Profit Sharing Plan
EIN No.: 95-3386654, Plan No. 001
Schedule H, Line 4i - Schedule of Assets
Plan Year Ending: 12/31/2023

(a)	(b) Identity of Issuer, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) CURRENT VALUE
*	Reliance Trust Company	Cash Reserve Account	\$ 904
		Interest-Bearing Cash Reserve Total	\$ 904
*	Transamerica Financial Life Ins Co	Transamerica Stbl Val Core Account	\$ 3,027,464
		Insurance Company/General Account	\$ 3,027,464
	AllSpring	Allspring Special Mid Cap Val A	\$ 251,584
	American Funds	American Funds American Mtl R4	\$ 1,500,992
	American Funds	American Funds New World R4	\$ 218,287
	Blackrock	BlackRock Infl Protect Bd Inv A	\$ 533,589
	Blackrock	BlackRock Total Return Inv A	\$ 1,172,658
	Hartford	Hartford Intl Opp R5	\$ 182,323
	Invesco	Invesco Gbl A	\$ 276,500
	Invesco	Invesco Real Estate A	\$ 129,268
	Blackrock	iShares MSCI Total Intl Index K	\$ 253,042
	Blackrock	iShares Russell 2000 Sm-Cap Index K	\$ 194,020
	Blackrock	iShares Russell Mid-Cap Index K	\$ 110,868
	Blackrock	iShares S&P 500 Index Instl	\$ 1,058,269
	Janus	Janus Henderson Triton A	\$ 240,693
	JP Morgan	JPMorgan Govt Bd R3	\$ 526,775
	JP Morgan	JPMorgan US Eq R3	\$ 868,282
	MFS	MFS Gr A	\$ 1,539,935
	Neuberger Berman	Neuberger Berman Mid Cap Gr Fd Cl A	\$ 151,603
	Prudential	PGIM High Yield A	\$ 610,028
	Prudential	PGIM Jennison Sm Co A	\$ 113,732
	PIMCO	PIMCO Inc A	\$ 1,166,807
	Victory	Victory Munder Intl Sm-Cp A	\$ 218,468
		Mutual Funds Total	\$ 11,317,722
		TOTAL PLAN ASSETS	\$ 14,346,090

* Indicates Party-In-Interest to the Plan