

Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.**

OMB Nos. 1210-0110
1210-0089

2023

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 04/01/2023

- A** This return/report is for: a single-employer plan a multiple-employer plan (not multiemployer) (Pension Plan filers checking this box must attach Schedule MEP. Other plans must attach a list of participating employer information in accordance with the form instructions.)
- B** This return/report is the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)
- C** Check box if filing under: Form 5558 automatic extension DFVC program
 special extension (enter description)
- D** If the plan is a collectively-bargained plan, check here ▶
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here ▶

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>L M HEATH INC PROFIT SHARING PLAN AND TRUST</u>		1b Three-digit plan number (PN) ▶ <u>001</u>
		1c Effective date of plan <u>01/01/2018</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>L M HEATH INC</u> <u>1565 SATELLITE DR</u> <u>MEDFORD, OR 97504-9072</u>		2b Employer Identification Number (EIN) <u>20-3555983</u>
		2c Sponsor's telephone number <u>541-944-2425</u>
		2d Business code (see instructions) <u>722513</u>
3a Plan administrator's name and address <input checked="" type="checkbox"/> 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
5a Total number of participants at the beginning of the plan year	5a	<u>27</u>
b Total number of participants at the end of the plan year.....	5b	<u>0</u>
c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	5c(1)	
c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	5c(2)	<u>0</u>
d(1) Total number of active participants at the beginning of the plan year.....	5d(1)	<u>26</u>
d(2) Total number of active participants at the end of the plan year.....	5d(2)	<u>0</u>
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	5e	<u>0</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.
Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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	<u>Filed with authorized/valid electronic signature.</u>	<u>09/19/2025</u>	<u>DAN ZAKOUR</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>09/19/2025</u>	<u>DAN ZAKOUR</u>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)..... Yes No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)..... Yes No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____ (See instructions.)

Part III Financial Information			
7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	10380	0
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	10380	0
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	0	
(2) Participants	8a(2)	477	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss)	8b	158	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		635
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	10338	
e Certain deemed and/or corrective distributions (see instructions) .	8e	0	
f Administrative service providers (salaries, fees, commissions)	8f	677	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		11015
i Net income (loss) (subtract line 8h from line 8c)	8i		-10380
j Transfers to (from) the plan (see instructions)	8j	0	

Part IV Plan Characteristics	
9a	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 2E 2F 2G 3D 2J 2T 2S
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions				
10 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)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b		X	
c Was the plan covered by a fidelity bond?	10c		X	
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below. Yes No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a**

b **PBGC missed contribution reporting requirements.** If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 _____

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? Yes No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline? Yes No N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? Yes No

a If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** 0

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? Yes No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Part VIII IRS Compliance Questions

14a 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

14b 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

15 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 ___/___/___ (MM/DD/YYYY) and the Opinion Letter serial number _____.

Form 5500-SF

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Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.**

OMB Nos. 1210-0110
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2023

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Part I Annual Report Identification Information

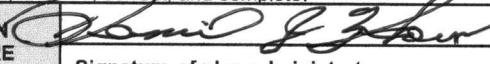
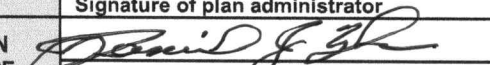
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 04/01/2023

- A** This return/report is for: a single-employer plan a multiple-employer plan (not multiemployer) (Pension Plan filers checking this box must attach Schedule MEP. Other plans must attach a list of participating employer information in accordance with the form instructions.)
- B** This return/report is: the first return/report the final return/report
 an amended return/report a short plan year return/report (less than 12 months)
- C** Check box if filing under: Form 5558 automatic extension DFVC program
 special extension (enter description)
- D** If the plan is a collectively-bargained plan, check here.
- 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

<p>1a Name of plan</p> <p>LM HEATH INC</p> <p>401(K) PROFIT SHARING PLAN & TRUST</p>	<p>1b Three-digit plan number (PN) ▶ 001</p>
<p>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)</p> <p>LM HEATH INC</p> <p>1565 Satellite Dr</p> <p>Medford OR 97504</p>	<p>1c Effective date of plan 01/01/2018</p> <p>2b Employer Identification Number (EIN) 20-3555983</p> <p>2c Sponsor's telephone number (541)944-2425</p> <p>2d Business code (see instructions) 722513</p>
<p>3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor.</p> <p>SAME</p>	<p>3b Administrator's EIN</p> <p>3c Administrator's telephone number</p>
<p>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.</p> <p>a Sponsor's name</p> <p>c Plan Name</p>	<p>4b EIN</p> <p>4d PN</p>
<p>5a Total number of participants at the beginning of the plan year 27</p> <p>b Total number of participants at the end of the plan year 0</p> <p>c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item).....</p> <p>c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....</p> <p>d(1) Total number of active participants at the beginning of the plan year 26</p> <p>d(2) Total number of active participants at the end of the plan year 0</p> <p>e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested 0</p>	<p>5a 27</p> <p>5b 0</p> <p>5c(1)</p> <p>5c(2) 0</p> <p>5d(1) 26</p> <p>5d(2) 0</p> <p>5e 0</p>

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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		Date	9/16/25		DANIEL J ZAKOUR
	Signature of plan administrator				Enter name of individual signing as plan administrator
SIGN HERE		Date	9/16/25		DANIEL J ZAKOUR
	Signature of employer/plan sponsor				Enter name of individual signing as employer or plan sponsor

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) Yes No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) Yes No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____ . (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
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h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		11015
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- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 3D 2J 2T 2S
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c Was the plan covered by a fidelity bond?	10c		X	
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below. Yes No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a**

b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 _____

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? Yes No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b** 0

c Enter the amount contributed by the employer to the plan for this plan year **12c** 0

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline? Yes No N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? Yes No

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** 0

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? Yes No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Part VIII IRS Compliance Questions

14a 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

14b 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

15 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 / / (MM/DD/YYYY) and the Opinion Letter serial number

401(k) Plan Termination Complete - LM HEATH INC

From: 401K Cancellations (401k_cancellations@paychex.com)

To: zakourd@yahoo.com

Date: Friday, January 6, 2023 at 10:49 AM PST



Dear Plan Administrator,

Thank you for the opportunity to work as an essential partner with your business. We've completed your 401(k) Plan termination.

IMPORTANT - Administrative billing continues until all assets have been removed from the plan. Additionally, the Form 5500 is required to be filed each year that assets remain in the plan.

Not sure where to go from here with the plan's assets?

- For assistance with options available to the plan participants, please see the attached flyer and FAQ resources with further direction on how to remove all assets from the plan and finalize plan closure.

Plan Provision updates to include SECURE, CARES Act provisions and new hardship regulations attached for your records.

- We have indicated the defaults for the provisions in the AA section of this amendment kit to match current operation of the terminated plan. **Paychex does not need any further action from you at this time for the terminated plan amendment.** Attachment includes:

- o *Pages 1-2 of 15* is the Adoption Agreement which has plan's selected defaults. This should be signed and kept with your current PPA Adoption Agreement in your company records.
- o *Page 3-10 of 15* is the amendment to the Basic Plan Document to be added to your current Basic Plan Document records.
- o *Page 11-15 of 15* is a Summary of Material Modifications to provide to your participants.

Sincerely,
Md Affan
401(k)/S125, Ops Transactions
Office: (800) 472-0072
Fax: (585) 218-8141
paychex.com

Client ID 5,338,339
LM HEATH INC

This is an automated message from Paychex. Please do not reply to this email.

Have questions? Our Paychex Flex® website and app have resources for you to get answers! Visit <http://www.paychexflex.com> to login to your account where you can access the help center or chat with us live!



401k Termination Flyer.pdf
1.3 MB

Completed: Paychex Retirement Services - 401(k) Plan Termination Request

From: Silas Philpot via DocuSign (dse_na2@docusign.net)

To: zakourd@yahoo.com

Date: Wednesday, December 7, 2022 at 06:07 PM PST



Your document has been completed

[VIEW COMPLETED DOCUMENT](#)

Silas Philpot

sphilpot@paychex.com

All parties have completed Paychex Retirement Services - 401(k) Plan Termination Request.

Dear Plan Administrator,

We've received your request to terminate your 401(k) Plan. Please review and complete the enclosed document to help us process your request.

Before you go...

Did you know that Paychex includes all items listed below in our recordkeeping service?
Many of our competitors may charge a fee for these documents and services:

- Online account access
- Enrollment kits
- Prospectuses
- Per-pay period investing
- Form 5500 preparation
- Form 945 and 1099-R processing
- Payroll integration
- Participant and Employer statements
- ADP/ACP and Top Heavy Testing

Investment provider changes and plan election modifications
Enrollment meetings via WebEx® teleconference
Pro rata and social security-integrated profit sharing allocations
Live toll-free telephone support with 24/7 voice response telephone service

Thank you,

401(k)/S125 Plan Cancellation Team

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If you are having trouble signing the document, please visit the Help with Signing page on our Support Center.

 [Download the DocuSign App](#)

This message was sent to you by Silas Philpot who is using the DocuSign Electronic Signature Service. If you would rather not receive email from this sender you may contact the sender with your request.



401(k) Plan Termination Guide

Dear Valued Client:

Regretfully, it has come to our attention that your company will be terminating your employer-sponsored retirement plan and recordkeeping service provided by Paychex Retirement Services

Prior to terminating your 401(k) Qualified Retirement Plan, please note the following:

- ✓ All participants will become 100% vested in employer contributions immediately upon termination.
- ✓ A Qualified Retirement Plan may not be established until all assets have been distributed from the current plan **and** 12 months have been processed.
- ✓ Paychex will continue to prepare 5500's for each plan year that assets remain in the plan.
- ✓ Monthly fees will continue to be charged until all assets have been distributed from the plan.
- ✓ Termination of your plan may present tax consequences for participants with outstanding loans and those affected by compliance testing results.

Enclosed in this package, we've outlined the responsibilities assigned to you and Paychex on page 2 of this package. Carefully review the Plan Termination acknowledgements to fully understand what is expected and required to terminate a 401(k) Plan.

We have appreciated the opportunity to service your Retirement Service needs.

Sincerely,

Paychex Retirement Services



Termination - Paychex & Employer Responsibilities

Section 1 - Company Information

Company Name LM HEATH INC

Paychex Client ID 90-U5338339
or Federal ID

Before signing the Paychex 401(k) Termination paperwork, please review all acknowledgements outlined below. As the Plan Administrator, it is your responsibility to properly execute the termination process. By signing this form, you acknowledge the following:

Section 3 - Paychex Responsibilities

1. **ADP/ACP Compliance Testing.** Paychex will prepare a final plan year ADP/ACP test. If the test(s) fail, highly compensated employees (HCEs) will receive a return of excess contribution, unless, you've notified us of your intention to fund a Qualified Non-Elective Contribution (QNEC). You can view your plan results by visiting the Plan Sponsor website at paychexflex.com
2. **Top Heavy Compliance Testing.** Paychex will prepare a Top-Heavy test using the termination date as the determination date for the short plan year. If the plan is Top Heavy, you will need to take corrective action before distributing assets.
3. **Quarterly Packages.** You will receive one final paper copy of your quarterly package. For all other quarterly reports following your last paper copy, please visit the web at <https://online.paychex.com>.
4. **Monthly Administrative Fees.** Paychex will continue to deduct your monthly fees from the Plan's assets upon termination until all assets have been dispersed. Note: If your plan includes the SDBA feature, Paychex will continue to collect the monthly fees from the employers' bank account and not from the Plan's Assets.

Section 4 - Employer Responsibilities

1. **Allocate Forfeiture Funds.** If these funds are not allocated prior to the plan termination request being submitted, they will be allocated automatically to all eligible participants.
2. **Fund Required Contributions.** Take corrective action before distributing assets if any non-discrimination tests are out of compliance or if your plan provides a required employer contribution that is not deposited to the plan each pay period.
3. **Inform Your Participants.** Participants will be taxed on any outstanding loan balances unless the balances are repaid in full prior to distributions being taken from the plan. Participants who are under age 59 ½ are also subject to a 10% early withdrawal penalty on any outstanding loans that are not repaid.
4. **Provide Written Notification.** Alert all participants that the plan will be terminated as of the date provided to Paychex. We've included a sample notice on page 5 of this package.
5. **Organization Resolution.** Create and file this document for your records. We've included a sample resolution that can be customized to suit your business needs on page 6 of this package.
6. **Complete Paperwork.** Sign and return pages 4 & 5 to Paychex to begin processing your Plan's termination.
7. **Distribute Plan Assets.** Review procedures and guidelines below:
 - Upon termination, a letter will be sent to each employee notifying them that they are now eligible to take a distribution and instructing them how to do so.
 - Participants may also roll over their balances to a qualified Plan or an Individual Retirement Account (IRA). Should they wish to rollover their balance to an IRA through Paychex Securities Corporation, participants can contact Paychex Individual Services at 877-825-9984.
 - The Plan Administrator may contact Paychex to remove missing participants from the plan that cannot be located or have failed to respond and hold a balance. Involuntary Distribution paperwork can be found on the web (paychexflex.com) on the Documents & Reports tab under Forms, or will be provided upon plan termination via email.
 - The Plan Sponsor may not distribute salary deferrals, safe harbor contributions, or qualified non-elective contributions to participants under the age 59 ½ who are currently employed by the company, if the company currently maintains, or will sponsor, another defined contribution plan (alternative defined contribution plan) within 12 months from the date the final distribution of assets is made from this terminated plan. The above-named contribution types must be transferred to the alternative defined contribution plan or remain in the current plan.
 - After 12 months, scheduled transfers of fund allocations for automatically enrolled participants will be void if the Plan's qualified default investment alternative (QDIA) is a GuidedSavings™ managed account. Guided Choice will continue to manage participant accounts for one year after the plan terminates.



401(k) Plan Termination Acknowledgements

Section 1 - Company Information

Company Name LM HEATH INC

Paychex Client ID 90-05338339
or Federal ID

Section 2 - Plan Administrator Acknowledgements

By signing this form, you acknowledge the following:

- ✓ I have reviewed the Paychex & Employer Responsibilities.
- ✓ I have executed an Organization Resolution to terminate the plan.
- ✓ I have adopted all necessary plan amendments to conform to required law changes.
- ✓ I understand that if the Plan fails the final plan year ADP/ACP test, a return of excess contributions will be processed for applicable highly compensated employees to correct the test results, unless Paychex has been notified that the Adopting Employer will fund a Qualified Non-Elective Contribution (QNEC), (excludes Simple IRAs).
- ✓ I understand that if the plan is Top-Heavy, corrective action must be taken before plan assets are distributed to fund required contributions.
- ✓ Paychex assumes no responsibility for the Plan's compliance with the qualified plan regulations and requirements under the Internal Revenue Code, the U.S. Department of Labor or ERISA.
- ✓ I understand that any forfeiture funds in the plan will be allocated to all eligible employees prior to the Plan's termination.
- ✓ I understand that Paychex monthly administrative fees will be deducted pro-rata from the Plan's assets (participant accounts and forfeitures) upon plan termination in accordance with the terms of the Paychex Retirement Services Agreement.
- ✓ I have notified all plan participants and beneficiaries regarding the termination of the plan.
- ✓ I understand that as a result of the terminating plan, all participants' account balances automatically become 100% vested.
- ✓ In the event a participant has not returned the Distribution Election Form, before making a distribution, I must attempt to locate that individual in accordance with the U.S. Department of Labor's missing participant guidance.
<https://www.irs.gov/retirement-plans/missing-participants-or-beneficiaries>
- ✓ I understand that the company's affiliates, as well as your company, must be considered when determining whether an alternative defined contribution plan exists that would bar the distribution of assets.
- ✓ A Form 5500 Annual Return/Report must be filed each plan year in which assets remain in the plan (excludes Simple IRAs).
- ✓ Paychex will provide a draft of the Form 5500 on the web at paychexflex.com for each plan year for your review and submission.
- ✓ When the Plan has distributed all assets, the plan year ends when the final liquidation is complete; accordingly, the deadline for filing the Form 5500 is the last day of the seventh month from the end of the plan year.
- ✓ If the Plan's qualified default investment alternative (QDIA) is a GuidedSavings™ managed account, any future scheduled transfer of fund allocations will be void.
- ✓ Final Completion of the Plan's termination is dependent upon the distribution of all assets in the plan.
- ✓ I understand that the following may apply if the plan holds an investment contract: Upon withdrawals initiated based on the termination of a participating plan, the investment provider may affect plan-level redemptions, and all participant withdrawals deemed to be participating-plan directed withdrawals, at the lesser of the market value or the contract value. While market value represents the priced or fair value of a fund's underlying investments, minus the contract guarantee, contract value is the asset balance made available to participants and plan sponsors, in accordance with accounting standards. In this way, plan and participant statements reflect contract value for funds held under contract. Please refer to your Participation agreement for the investment option for further information.

Section 3 - Authorization from Plan Administrator

Plan Administrator Email Address zakourd@yahoo.com

Plan Administrator Name (Print) Daniel Zakour

Date: 12/7/2022 | 21:02 EST

Plan Administrator Signature

DocuSigned by:
Daniel Zakour

9BC70C530A1D481...



401(k) Plan Termination Request

Section 1 - Company Information

Company Name LM HEATH INC

Paychex Client ID 90-U5338339
or Federal ID

Section 2 - Plan Information

Will you continue to use Paychex Payroll Services? Yes No - See Question 2.

Would you like to remain on Paychex 401(k) Services as a Non-Payroll client?

(If yes, please check yes and return the paperwork without completing any additional information. Paychex can continue your recordkeeping services even if you have cancelled your Paychex Payroll Service).

Yes No

Requested Cancellation Date: 12/31/2022

(Date must be in the future)

Section 3 - Plan Feedback

Please check one of the boxes below to indicate your reason for terminating your 401(k) plan.

- | | |
|---|--|
| <input type="checkbox"/> Business is closing | <input type="checkbox"/> Monthly administration fees are too high |
| <input type="checkbox"/> Company buyout | <input type="checkbox"/> Competitor offered a better price |
| <input type="checkbox"/> Merging with a company that has an established 401(k) Plan | <input type="checkbox"/> Business downsizing/experiencing financial difficulties |
| <input type="checkbox"/> Setup/conversion experience | <input type="checkbox"/> Desired plan options not available |
| <input type="checkbox"/> Billing errors | <input type="checkbox"/> Information/reports are inadequate |
| <input type="checkbox"/> Issues with plan compliance | <input type="checkbox"/> Website is unsatisfactory |
| <input type="checkbox"/> Lack of investment advice | <input type="checkbox"/> Narrow investment selection |
| <input type="checkbox"/> Need more assistance with plan administration | <input type="checkbox"/> Dissatisfaction with non-payroll product |
| <input type="checkbox"/> Unhappy with service interaction(s) | <input checked="" type="checkbox"/> Employees are not interested/not participating |
| <input type="checkbox"/> Plan that was sold is not needed/expected | <input type="checkbox"/> Company no longer has employees |
| <input type="checkbox"/> Misrepresentation of product/service by sales rep | <input type="checkbox"/> Owner is unable to contribute |
| <input type="checkbox"/> COVID-19 – Business forced to close | <input type="checkbox"/> Leaving/Left Payroll Services |
| <input type="checkbox"/> COVID-19 – No longer able to sustain/offer plan | <input type="checkbox"/> Other |
| <input type="checkbox"/> COVID-19 – Downsizing of staff | |

Additional Comments:

Section 4 - Authorization from Plan Administrator

Plan Administrator Email Address zakourd@yahoo.com

Plan Administrator Name (Print) Daniel Zakour

Date: 12/7/2022 | 21:02 EST

Plan Administrator Signature

DocuSigned by:

Daniel Zakour

9BC70C530A1D481...



TO: DEPARTMENT OF LABOR

DATE: SEPTEMBER 16, 2023

FROM : L.M. HEATH, INC

RE; RETIREMENT PLAN

To Whom it May Concern.

My name is Daniel Zakour, I am the owner of our company, L.M. Heath, Inc. We do business as a Burger King restaurant in Klamath Falls, Oregon. On December 7, 2022. we terminated our retirement plan for our company. It was being managed by a company called Paychex. They are the company that managed the day to day operations of the plan. When we decided to close it out, we contacted Paychex and they were to do all the requirements to accomplish this. I received two emails from them stating that they had closed the plan and were dispersing all the funds to the participants. On January 6, 2023, I received an email from them stating that they had completed the closure and that I needed not to do anything more. I was not aware at that time that all the funds had not been dispersed as I had no control of the funds or the process. I thought it had all been completed and done. I knew that they had submitted the form 5500 for 2022 and did not think of anything more.

Around the first of August 2025, I had received a letter from the Internal Revenue Service that we had not sent in the 2023, 5500 form and that it needed to be done immediately. Also, that we had not sent in the form 8955-SSA. I had no idea what was going on as I had not heard anything from anyone since January 6. 2023. I immediately tried to contact Paychex to find out what had happened and to see why it had not been done as I had paid them to do all the required paperwork to close out our plan. It took over 4 weeks for them to finally talk to me (I had waited over an hour on the phone multiple time) for them to answer. Before I was able to get thru, I had contacted the IRS to see what was going on and they explained that they had sent it in for 2022 but there was still money in the plan as of January 1 2023 and that it needed to have the form 5500 for that year. Receiving the two emails

L.M. HEATH, INC.

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stating that my plan had been closed in January 2023(enclosed with this letter) I did not even think of this plan moving forward. When I finally was able to get through to Paychex, I was in formed that all the funds were not dispersed until 4/1/2023. I did not know this until September 16,2025, I was appalled to say the least. I immediately asked why with a company as large as Paychex was there not any communication? They told me that the person handling my account was no longer working there and that they would send me the filled out form 5500 today. I did receive it and I am sending it in today. September 17, 2025.

I do apologize that this was not completed on time as I had paid a company to close it out correctly as I am not an expert in this area and needed someone to assist with this matter. I just found out that by not doing their job this could affect me with fines for not being on time. I am asking for consideration in this matter as I did not know it was not done and with receiving the emails stating that it was complete, I thought it was. I completed this as fast as I could once finally being notified and hope that is enough to show good faith. Once aware of the matter I contacted the IRS and DOL and found out what needed to be done and was able to get it completed. I hope that you understand that I am a small business man and do not know everything that is needed in this area and that is why I hired a company to do what is needed. I realize that the buck stops with me, I am just asking to be relieved of any fines that might come we this situation.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel Zakour".

Daniel Zakour

L.M. Heath, Inc.

1565 Satellite Drive

Medford, Oregon 97504

zakourd@yahoo.com

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