

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

Department of the Treasury Internal Revenue Service

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).

2024

Department of Labor Employee Benefits Security Administration

Complete all entries in accordance with the instructions to the Form 5500.

Pension Benefit Guaranty Corporation

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan, check here... D Check box if filing under: [X] Form 5558 [] automatic extension... 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: J&R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2014
2a Plan sponsor's name (employer, if for a single-employer plan): J&R SCHUGEL HOLDING, INC.
2b Employer Identification Number (EIN): 41-1239449
2c Plan Sponsor's telephone number: 507-359-2900
2d Business code (see instructions): 484120

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes entries for Lynn Windschitl and fields for employer/plan sponsor and DFE.

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

Form 5500 (2024) v. 240311

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	
5 Total number of participants at the beginning of the plan year	5	806
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)	515
	6a(2)	453
	6b	0
	6c	287
	6d	740
	6e	16
	6f	756
	6g(1)	725
	6g(2)	744
6h	0	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2E 2I 2P 3I

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)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) **R** (Retirement Plan Information)
- (2) **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (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 _____
- (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 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan J&R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 J&R SCHUGEL HOLDING, INC.	D Employer Identification Number (EIN) 41-1239449

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)	
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	64
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	
(2) U.S. Government securities	1c(2)	
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	
(B) Common	1c(4)(B)	
(5) Partnership/joint venture interests	1c(5)	
(6) Real estate (other than employer real property)	1c(6)	
(7) Loans (other than to participants)	1c(7)	
(8) Participant loans	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	
(11) Value of interest in master trust investment accounts	1c(11)	
(12) Value of interest in 103-12 investment entities	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	362329
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	
(15) Other	1c(15)	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	68720000	60850000
(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	69092602	61212393
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j	2622994	2462232
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	2622994	2462232
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	66469608	58750161

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)	2289995	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		2289995
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	21270	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		21270
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents.....	2b(3)		
(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)	-7870001	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-5558736

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2084927	
(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)		2084927
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		75784
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(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)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2160711

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-7719447
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: **LAWRENCE CUMPSTON & ASSOCIATES, PLLP**

(2) EIN: **41-1859614**

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.)		X	
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.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>J&R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>J&R SCHUGEL HOLDING, INC.</u>	D Employer Identification Number (EIN) <u>41-1239449</u>	

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1		0
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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): 45-6062081

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	
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Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a	
b Enter the amount contributed by the employer to the plan for this plan year	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline?..... Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

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

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? Yes No

11 a Does the ESOP hold any preferred stock? Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? Yes No

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: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

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

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

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

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	

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

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

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

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

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

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

Years Ended December 31, 2024 and 2023

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Lawrence Cumpston & Associates, PLLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

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

We have performed audits of the accompanying financial statements of J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statements of net assets available for benefits as of December 31, 2024 and 2023, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2024 and 2023, stating that the certified investment information, as described in Note D to the financial statements, is complete and accurate.

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST'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 J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters - Supplemental Schedules Required by ERISA

The supplemental schedule of assets held at end of year as of December 31, 2024 is presented for purposes of additional analysis and is not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, 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 schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Lawrence Cumpston & Associates, PLLP

Lawrence Cumpston & Associates, PLLP
St. Paul, MN
October 10, 2025

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2024 and 2023

	2024	2023
ASSETS		
CASH	\$ 362,329	\$ 370,995
INVESTMENTS	60,850,000	68,720,000
RECEIVABLES		
Distribution Receivable	64	1,607
TOTAL RECEIVABLES	64	1,607
TOTAL ASSETS	61,212,393	69,092,602
LIABILITIES		
Benefits Payable	0	694
Note Payable - Plan Sponsor	2,462,232	2,622,300
TOTAL LIABILITIES	2,462,232	2,622,994
NET ASSETS AVAILABLE FOR BENEFITS	\$ 58,750,161	\$ 66,469,608

See accompanying notes.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2024 and 2023

	2024	2023
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Employer Contributions	\$ 2,289,995	\$ 1,733,969
TOTAL ADDITIONS	2,289,995	1,733,969
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits Paid to Participants	2,084,927	1,459,730
Interest Expense	75,784	83,206
Net Depreciation In Fair Value	7,848,731	3,838,112
TOTAL DEDUCTIONS	10,009,442	5,381,048
NET DECREASE	(7,719,447)	(3,647,079)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	66,469,608	70,116,687
END OF YEAR	\$ 58,750,161	\$ 66,469,608

See accompanying notes.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE A. DESCRIPTION OF THE PLAN

The following description of the J & R SCHUGEL TRUCKING, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan which was established on January 1, 2014 to provide retirement benefits for employees of J & R Schugel Holdings, Inc. (the Company). The Plan is a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) of the Internal Revenue Code and is subject to the provisions of the Employee Retirement Income Security Act (ERISA).

Entities

The Plan consists of participants from J & R Schugel Trucking, Inc. and Schugel Management, Inc., employers under common control.

Plan Amendments

There were multiple Plan Amendments during the year ended December 31, 2024.

Effective for the Plan year beginning on and after January 1, 2024, the Plan is no longer required to offer a minimum of 3 additional Investment Funds to participants whom elect to diversify their account.

Effective for the Plan year beginning on and after January 1, 2024, the Plan is no longer allowed to elect to distribute diversified funds directly to participant; the subjected amount is to be transferred by a trustee-to-trustee to another defined contribution Plan sponsored by the Employer no later than 90 days after the end of the Annual Election Period.

In order to comply with the SECURE Act 2.0, the Plans' Required Beginning Date, distributions on account of death, and Minimum Distribution Requirements were amended to replace "age 70-1/2" with "age 72 (age 70-1/2 if the participant was born prior to July 1, 1949, and age 73 if the participant was born on or after January 1, 1951)".

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE A. DESCRIPTION OF THE PLAN (Continued)

Plan Amendments (Continued)

There were no Plan Amendments during the year ended December 31, 2023.

Eligibility

Employees of the Plan Sponsor may participate after completing 1,000 hours and 1 year of service and must be employed on the last day of the year. Eligibility dates are January 1st and July 1st.

Contributions

The employer must make a cash contribution to the Plan each year sufficient to pay any currently maturing obligation on the note payable until paid in full. After the loan obligation is satisfied, the employer has the option to make discretionary contributions to the Plan at the end of any year. Employer contributions may be either in the form of employer securities or in cash. The employer contribution will be allocated to eligible participants in proportion to each participant's allocation points. The employer must also make contributions to fund benefits to be paid to participants. The Plan does not accept rollover contributions from any other qualified plan or individual retirement account. In addition, participants are neither required nor permitted to make contributions into the Plan.

The employer has made cash contributions in the amount of \$2,289,995 and \$1,733,969 for the years ended December 31, 2024 and 2023, respectively.

Participant Accounts

Individual accounts are maintained for each Plan participant. Each participant's account is credited with an allocation of the employer's discretionary contributions and Plan earnings. Allocations are based on the participant's total compensation and years of service. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE A. DESCRIPTION OF THE PLAN (Continued)

Investments

Participants' investment balance consists of J & R Schugel Holdings, Inc. Company Stock. The value of the employer's securities will be determined annually by an independent appraiser. The vested balance of terminated participants whom elect not to take a distribution is segregated from the Company Stock to a Vanguard Federal Money Market.

Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Qualified participants may elect to invest up to 25% of their vested account balance in investments other than employer's securities during five 90 day annual election periods. During the sixth election period, a qualified participant may invest up to 50% of their vested balance in investments other than employer's securities.

Vesting

The Plan applies a six year graduated vesting schedule for the employer discretionary contributions. Participants will become fully vested upon attainment of normal retirement age, death or suffering a disability while the individual is still an employee.

Payment of Benefits

Distributions shall be made in the form of annual installments over a period of up to five years. Installment payments shall be a minimum amount of the lesser of \$10,000 or the remaining vested balance.

If employment terminates for reasons other than death, disability or early or normal retirement, participants are entitled to receive only the vested percentage of their account balance. If the account balance does not exceed \$5,000, a distribution can be made regardless of whether the participant consents to receive it.

Put Option

If the Company stock is distributed and is not readily tradable in an established market, each participant entitled to a distribution has a right to require that the Company repurchase the stock using a fair valuation formula. This put option shall be enforceable by the participant for a period of at least 60 days following the distribution date of the Company stock. If the put option is not exercised within the 60 day period, the participant has an additional put option period of at least 60 days in the following year.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE A. DESCRIPTION OF THE PLAN (Continued)

Forfeitures

Forfeited nonvested accounts may be used to restore forfeitures, reallocate as employer contributions or pay reasonable Plan expenses in accordance with the provisions of the Plan. The amount of forfeitures for the years ended December 31, 2024 and 2023 were \$161,741 and \$243,886, respectively. For the years ended December 31, 2024 and 2023, \$149,454 and \$233,231, respectively, were reallocated as employer contributions.

Significant Costs

The employer absorbs significant costs for the administration of the Plan.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements and supplemental schedule of the Plan were prepared 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 in the United States of America requires the plan administrator to make estimates and assumptions that affect amounts reported on the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Risks and Uncertainties

The Plan's investments consist of J & R Schugel Holdings, Inc. common stock and a money market. These employer and investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of the risks associated with employer and investment securities, it is at least reasonably possible that changes in the values of these securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Valuation and Income Recognition

There is limited or no observable market data for the price of the Company's common stock held by the Plan, and the resulting fair values of these securities are categorized as Level 3. The fair value of the Company's common stock was calculated by an independent third party appraiser at December 31, 2024 using generally accepted valuation approaches.

The Plan's money market investment is stated at fair value, as discussed in Note G. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's administrative expenses are paid by either the Plan or the Company as provided by the Plan document.

Excess Contributions Payable

The Plan is required to return contributions received during the year in excess of the Code's limits. There were no excess contributions for the years ended December 31, 2024 and 2023.

Tax Positions Interest and Penalty

Interest recognized on underpayment of income taxes is recorded to interest expense. Penalties recognized on tax positions are recorded to income tax expense. During the years ended December 31, 2024 and 2023, there were no underpayment interest or penalties to recognize.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE C. INCOME TAX STATUS

The IRS has determined and informed the plan sponsor by a letter dated February 19, 2015, that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

NOTE D. CERTIFICATION BY THE TRUSTEE

Alerus Financial, N.A. has provided the plan administrator with a certification as to the completeness and accuracy of investment assets aggregating \$61,212,329 and \$69,090,995 as of December 31, 2024 and 2023, respectively, and the related net investment income, including the net depreciation in fair value of such assets of (\$7,848,731) and (\$3,838,112) for the years ended December 31, 2024 and 2023, respectively. Such amounts and all related financial data are included in the accompanying financial statements and supplemental schedule of the Plan based on such certifications from the Trustee as being complete and accurate.

NOTE E. NOTE PAYABLE

On October 15, 2014, the Plan entered into a loan agreement with J & R Schugel Holdings, Inc. in the amount of \$5,000,000 for the purchase of 1,000,000 common shares of J & R Schugel Holdings, Inc. stock, which constitutes 100% of the total issued and outstanding shares.

The loan agreement provides that the note is to be paid in 30 equal annual installments of \$235,896, including interest of 2.89%, commencing on December 31, 2015 with a maturity date of December 31, 2044. The note is secured by a security interest in the stock of the lender. As of December 31, 2024 and 2023, the unallocated balance of the note payable was \$2,462,232 and \$2,622,300, respectively.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE F. INVESTMENTS

During the years ended December 31, 2024 and 2023, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value as follows:

	2024	2023
Common Stock	\$ (7,870,001)	\$ (3,860,000)
Money Market	21,270	21,888
<hr/>		
Total Depreciation	<u>\$ (7,848,731)</u>	<u>\$ (3,838,112)</u>

NOTE G. FAIR VALUE MEASUREMENTS

FASB ASC 820 establishes 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 fair value hierarchy under FASB ASC 820 are described below:

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;

- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE G. FAIR VALUE MEASUREMENTS (Continued)

The following tables present by level, within the fair value hierarchy, the Plan investment assets at fair value, as of December 31, 2024 and 2023. As required by FASB ASC 820, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

Fair Value at December 31, 2024				
Using Inputs Considered as				
	Total	Level 1	Level 2	Level 3
<i>(In Thousands)</i>				
Common Stock	\$ 60,850	\$ 0	\$ 0	\$ 60,850
Money Market	362	362	0	0
Total	\$ 61,212	\$ 362	\$ 0	\$ 60,850

Fair Value at December 31, 2023				
Using Inputs Considered as				
	Total	Level 1	Level 2	Level 3
<i>(In Thousands)</i>				
Common Stock	\$ 68,720	\$ 0	\$ 0	\$ 68,720
Money Market	371	371	0	0
Total	\$ 69,091	\$ 371	\$ 0	\$ 68,720

In addition to quoted market prices in active markets, valuation techniques include:

Level 3 – common stock – valuation is performed annually by an independent appraiser and is based upon a combination of asset, market and income valuation techniques.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE G. FAIR VALUE MEASUREMENTS (Continued)

Level 3 Reconciliation:

	Fair Value for the Year Ended December 31, 2024		
	Allocated	Unallocated	Total
J & R Schugel Holdings, Inc. Common Stock:			
Number of Shares	533,596	466,404	1,000,000
Estimated Fair Value	\$ 32,469,317	\$ 28,380,683	\$ 60,850,000

	Fair Value for the Year Ended December 31, 2023		
	Allocated	Unallocated	Total
J & R Schugel Holdings, Inc. Common Stock:			
Number of Shares	496,596	503,404	1,000,000
Estimated Fair Value	\$ 34,126,077	\$ 34,593,923	\$ 68,720,000

NOTE H. PARTY-IN-INTEREST TRANSACTIONS

Transactions resulting in Plan assets being transferred to or used by a related party are prohibited under ERISA unless a specific exemption applies. The Trustee is a party-in-interest as a result of providing trustee services to the Plan, investments of Plan assets in Company stock and indebtedness guaranteed by the Company. However, such transactions are exempt under Section 408(b)(8) and are not prohibited by ERISA.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

NOTES TO FINANCIAL STATEMENTS

NOTE I. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in their accounts. However, termination of the Plan would result in a default on the loan from the Company and a default on a loan to the former shareholder of the Company. All Company assets are collateralized by the former shareholder and would by default be delivered to the secured party.

NOTE J. SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through October 10, 2025, the date in which the financial statements were available to be issued.

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

SCHEDULE OF ASSETS HELD AT END OF YEAR

December 31, 2024

SCHEDULE H, LINE 4I
Plan Sponsor EIN 41-1239449
Plan Number 002

a	b	c	d	e
	Identity of Issuer	Description of Investment	Cost	Fair Value
*	J&R Schugel Holdings, Inc.	Common Stock	\$ 5,000,000	\$ 60,850,000
	Vanguard Federal Money Market	Money Market	<u>341,059</u>	<u>362,329</u>
			<u>\$ 5,341,059</u>	<u>\$ 61,212,329</u>

* Party-In-Interest

**J & R SCHUGEL TRUCKING, INC.
EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST**

SCHEDULE OF ASSETS HELD AT END OF YEAR

December 31, 2024

SCHEDULE H, LINE 4I
Plan Sponsor EIN 41-1239449
Plan Number 002

a	b	c	d	e
	Identity of Issuer	Description of Investment	Cost	Fair Value
*	J&R Schugel Holdings, Inc.	Common Stock	\$ 5,000,000	\$ 60,850,000
	Vanguard Federal Money Market	Money Market	<u>341,059</u>	<u>362,329</u>
			<u>\$ 5,341,059</u>	<u>\$ 61,212,329</u>

* Party-In-Interest