Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2020

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [X] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
TALON AIR 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2006

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)
TALON AIR, LLC

8300 REPUBLIC AIRPORT
FARMINGDALE, NY 11735

2b Employer Identification Number (EIN)
52-2214389

2c Plan Sponsor's telephone number
516-466-6680

2d Business code (see instructions)
481000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/16/2021	PETER CIPRIANO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] 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**	167
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	167
a(2) Total number of active participants at the end of the plan year	**6a(2)**	144
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	38
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	182
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	182
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	112
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	7
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

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

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

9a Plan funding arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[ ]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

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

a Pension Schedules

(1)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[ ]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[ ]	0	**A** (Insurance Information)
(4)	[X]		**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 2020 Form M-1 annual report. If the plan was not required to file the 2020 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2020** **This Form is Open to Public Inspection.**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
TALON AIR 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
TALON AIR, LLC

D Employer Identification Number (EIN)
52-2214389

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

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

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

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

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

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

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

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

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

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

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

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

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

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

TMI CPA

47-2426908

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT/AUDITOR	13500	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 64 65	RECORDKEEPER	9042	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

a Name:

b EIN:

c Position:

d Address:

e Telephone:

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
TALON AIR 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
TALON AIR, LLC

D Employer Identification Number (EIN)
52-2214389

Part I Asset and Liability Statement

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 reported 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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	200104	116971
(2) Participant contributions	1b(2)	375	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	4868385	109239
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	77631	66900
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	87911	6118143
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	**1d(1)**	0	0
	(2) Employer real property	**1d(2)**	0	0
e	Buildings and other property used in plan operation	**1e**	0	0
f	Total assets (add all amounts in lines 1a through 1e)	**1f**	5234406	6411253
	Liabilities			
g	Benefit claims payable	**1g**	0	0
h	Operating payables	**1h**	0	0
i	Acquisition indebtedness	**1i**	0	0
j	Other liabilities	**1j**	0	0
k	Total liabilities (add all amounts in lines 1g through1j)	**1k**	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	**1l**	5234406	6411253

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)**	117178	
	(B) Participants	**2a(1)(B)**	651089	
	(C) Others (including rollovers)	**2a(1)(C)**	12011	
	(2) Noncash contributions	**2a(2)**	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	**2a(3)**		780278
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	**2b(1)(A)**	2095	
	(B) U.S. Government securities	**2b(1)(B)**	0	
	(C) Corporate debt instruments	**2b(1)(C)**	0	
	(D) Loans (other than to participants)	**2b(1)(D)**	0	
	(E) Participant loans	**2b(1)(E)**	-521	
	(F) Other	**2b(1)(F)**	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	**2b(1)(G)**		1574
	(2) Dividends: **(A)** Preferred stock	**2b(2)(A)**	0	
	(B) Common stock	**2b(2)(B)**	0	
	(C) Registered investment company shares (e.g. mutual funds)	**2b(2)(C)**	268249	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	**2b(2)(D)**		268249
	(3) Rents	**2b(3)**		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	**2b(4)(A)**	0	
	(B) Aggregate carrying amount (see instructions)	**2b(4)(B)**	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	**2b(4)(C)**		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	**2b(5)(A)**	0	
	(B) Other	**2b(5)(B)**	0	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	**2b(5)(C)**		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		682756
c Other income	2c		0
d Total income. Add all **income** amounts in column (b) and enter total	2d		1732857
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	513434	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		513434
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		19714
h Interest expense	2h		0
i Administrative expenses: **(1)** Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	320	
(4) Other	2i(4)	22542	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		22862
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		556010
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1176847
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

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)** [X] 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) [X] 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: TMI CPA, P.C. **(2)** EIN: 47-2426908

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		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.)	4a	X		691

			Yes	No	Amount
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		500000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	**4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	**4n**		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

A Name of plan
TALON AIR 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
TALON AIR, LLC

D Employer Identification Number (EIN)
52-2214389

Part I Distributions

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

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

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 04-6568107

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... | **3** |

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... | **6a** |

b Enter the amount contributed by the employer to the plan for this plan year ..... | **6b** |

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... | **6c** |

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

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

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

Part III Amendments

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____

TMI CPA, P.C.
certified public accountant + advisor

TALON AIR 401(K) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

As of December 31, 2020 and 2019 and
For the Year Ended December 31, 2020

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5-11
SUPPLEMENTAL INFORMATION	
Schedule H, Line 4(a) - Schedule of Delinquent Participant Contributions	12
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	13

TMI CPA, P.C.
certified public accountant + advisor

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of
Talon Air 401(k) Plan
Farmingdale, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Talon Air 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Fidelity Management Trust Company (Fidelity) and Matrix Trust Company (Matrix), the trustee/custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that Fidelity held certain Plan investment assets and executed investment transactions as of December 31, 2020 and 2019 and for the year ended December 31, 2020, and Matrix held certain Plan investment assets as of December 31, 2019. The Plan administrator has obtained certifications from the trustee/custodian, that the information provided to the Plan administrator by the trustee/custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Line 4(a) - Schedule of Delinquent Participant Contributions and Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2020, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by Matrix and Fidelity, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

TMA CPA, P.C.

Hauppauge, New York
September 8, 2021

TALON AIR 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2020 and 2019

	2020	2019
Assets:		
Investments:		
Investments at fair value	$ 6,227,382	$ 87,911
Interest-bearing cash	-	4,868,385
Total Investments	6,227,382	4,956,296
Receivables:		
Employer contribution	116,971	200,104
Employer contribution - other (Note 10)	-	366
Participant contributions	-	375
Notes receivable from participants	66,900	77,631
Total Receivables	183,871	278,476
Net Assets Available for Benefits	$ 6,411,253	$ 5,234,772

See accompanying notes to the financial statements.

TALON AIR 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2020

Additions:		
Investment income:		
Net appreciation in fair value of investments	$	678,281
Interest and dividends		270,346
		948,627
Interest income on notes receivable from participants		4,444
Contributions:		
Employer		116,812
Participants		651,089
Rollovers		12,011
		779,912
Total Additions		1,732,983
Deductions:		
Benefits paid to participants		513,434
Deemed distrbutions		20,206
Administrative expenses		22,862
Total Deductions		556,502
Net Increase		1,176,481
Net Assets Available for Benefits:		
Beginning of Year		5,234,772
End of Year	$	6,411,253

See accompanying notes to the financial statements.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan

The following description of the Talon Air 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all eligible employees of Talon Air LLC (formerly Talon Air, Inc.) (the "Company"), who have completed 3 months of eligibility service. There is no minimum age requirement. Ineligible employees are defined as those that are covered by a collective bargaining agreement, leased employees, non-resident aliens and part time employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan administrator is responsible for oversight of the Plan, determines the appropriateness of the Plan's investment offerings and monitors investment performance.

On December 1, 2019, the Company changed the Plan's custodian/trustee from Matrix Trust Company (Matrix) to Fidelity Management Trust Company (Fidelity). On December 6, 2019, Matrix transferred $4,863,865 of Plan assets to Fidelity. The remaining assets consisting of cash held in a money market account totaling $1,469 was transferred to Fidelity during 2020.

Contributions

Each year, participants may contribute up to 100% of their pre-tax annual compensation, as defined in the Plan. Participants may also designate all or a portion of their elective deferrals as Roth (after-tax) contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may provide a matching contribution based on a discretionary percentage of base compensation that a participant contributes to the Plan. For the year ended December 31, 2020, the Company elected to match 50% of participants' contributions to the Plan, up to 6% of base compensation. Company matching contributions are invested in a portfolio of investments as directed by participants. For the year ended December 31, 2020, the Company made matching contributions totaling $116,971. Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Participant Accounts

Each participant's account is credited with the participant's contribution and Company matching contributions, as well as Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service. Participants shall also become 100% vested upon attainment of normal retirement age, as defined, while an employee of the Company.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and shall bear a reasonable rate of interest as determined by the Plan administrator based on the prevailing interest rates charged by similar institutions at the time of the loan issuance. Principal and interest is paid ratably through bi-weekly payroll deductions.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan (continued)

Payment of Benefits

On termination of service due to death, disability, retirement or for other reasons, a participant may elect to receive a lump-sum amount equal to the value in his or her account. In-service distributions are permitted for minimum required distributions and for a participant who is experiencing financial hardship or for participants who are still employed upon meeting the age requirement for required minimum distributions under IRS regulations.

Forfeited Accounts

At December 31, 2020 and 2019, forfeited nonvested accounts totaled $91,161 and $8,571, respectively. Forfeitures which are not used to pay administrative expense of the Plan, will be used to reduce future employer contributions. During 2020, forfeitures totaling $13,573 were used to pay expenses of the Plan. There were no forfeitures used during 2020 to reduce Company contributions.

Recent Regulatory and Economic Events

On January 1, 2020, the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) of 2019, which was enacted and signed into law on December 20, 2019 to incentivize saving and investing for retirement, went into effect. The SECURE Act a) increases the required minimum distribution (RMD) age for retirement accounts from age 70.5 to age 72; b) repeals the maximum age for traditional IRA contributions; c) requires employers to include long-term part-time employees who have completed at least 500 hours of service each year for three consecutive years and are age 21 or older, as participants in 401(k) plans, except in the case of collectively bargained plans. However, these participants can be excluded from safe harbor contributions, nondiscrimination and top-heavy requirements; d) allows for distributions of up to $5,000 from retirement accounts penalty-free within a year of birth or adoption for qualified expenses; e) allows automatic-enrollment safe harbor plans to increase the cap on raising payroll contributions from 10 percent to 15 percent; and f) allows individuals to withdraw up to $10,000 from 529 plans to repay their child's student loans.

In March 2020, the novel coronavirus (COVID-19) outbreak was declared a pandemic by the World Health Organization. The COVID-19 pandemic has adversely affected and may continue to adversely affect economic activity globally, nationally, and locally. Following the COVID-19 outbreak, the values of investment securities declined significantly. Such events may also adversely affect business and consumer confidence, generally, and the Plan sponsor and its customers, and their respective suppliers, vendors and processors may be adversely affected. These economic and market conditions and other effects of the COVID-19 outbreak may continue to adversely affect the Plan. The extent of the impact of COVID-19 on the Plan and on participants' account balances, and amounts reported in the December 31, 2020 statement of net assets available for benefits, will depend on future developments that are highly uncertain and cannot be predicted at this time.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), was enacted and signed into law. Section 2202 of the CARES Act provides for special distribution options and rollover rules for retirement plans and IRAs and expands permissible loans from certain qualified retirement plans. The CARES Act a) provides for expanded distribution options and waives the 10% early distribution penalty, for up to $100,000 of coronavirus-related distributions from eligible retirement plans (certain employer retirement plans, such as section 401(k) and 403(b) plans, and IRAs) to qualified individuals, as well as providing special rollover rules with respect to such distributions; b) allows plan sponsors to adopt a provision to allow participants who were impacted by COVID-19 and meet certain criteria, to increase the maximum amount eligible participants may borrow from their account to the lesser of $100,000 (minus outstanding plan loans of the individual), or 100% of the participant's vested balance for loans established from March 27, 2020, to September 22, 2020. Furthermore, it allows participants with existing loans to defer their loan repayments with a due date from the enactment date through December 31, 2020, for up to one year; and c) waives the requirement for participants to take a required minimum distribution (RMD) from their retirement account for the 2020 calendar year.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan (continued)

Recent Regulatory and Economic Events (continued)

On December 27, 2020, the Consolidated Appropriations Act, 2021 (CA Act) was enacted and signed into law. The CA Act includes a temporary rule preventing partial plan terminations for qualified retirement plans in some circumstances. The IRS previously issued guidance under the CARES Act clarifying that employees furloughed or laid off due to COVID-19 but rehired by the end of 2020 would not be counted in determining whether a retirement plan incurred a partial plan termination for the plan year. The CA Act gives employers broader relief than the IRS guidance. Under this new law, a retirement plan will not have a partial termination for a plan year if (1) any portion of the plan year includes the period beginning March 13, 2020, and ending on March 31, 2021, and (2) the number of active participants covered by the plan on March 31, 2021, is at least 80% of the number of active participants covered by the plan on March 13, 2020.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Plan considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan administrator determines the Plan's valuation policies utilizing information provided by investment advisers and custodian/trustee. See Note 3 for discussion of fair value measurements.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make note repayments and the Plan administrator deems the note to be in default, the note is treated as a taxable distribution from the participant's account. No allowance for credit losses has been recorded as of December 31, 2020 and 2019.

Payment of Benefits

Benefits are recorded when paid.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

Plan management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019:

Money market fund: Valued at cost, which estimates fair value.

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

Note 3 – Fair Value Measurements (continued)

Exchange traded funds: Valued at the closing price reported on the active market on which the exchange traded funds are traded. Exchange traded funds held by the Plan are open-ended funds that are registered with the SEC. These funds trade throughout the day at fair value, like common stock, and must calculate net asset value daily, like mutual funds.

Lifecycle funds: Valued at the daily closing price as reported by the fund. These investments, sometimes called "targeted" or "age-based" funds vary their assets among stocks, bonds, and money market funds. Similar to mutual funds, the lifecycle funds are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The lifecycle funds held by the Plan are deemed to be actively traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2020 and 2019. There were no level 2 or level 3 assets held by the Plan as of December 31, 2020 and 2019:

	Assets at Fair Value (Level 1)	
	2020	2019
Money market fund	$ 109,239	$ -
Mutual funds	2,161,707	10,923
Exchange traded funds	-	1,469
Lifecycle funds	3,956,436	75,519
Investments at fair value	$ 6,227,382	$ 87,911

Note 4 – Related Party Transactions and Party-in-Interest Transactions

Certain Plan investments held by the Plan are managed by Fidelity Investments, an affiliate of Fidelity Management Trust Company. Fidelity Management Trust Company is the Plan's trustee. These transactions qualify as exempt party-in-interest transactions.

The Plan also uses other third-party service providers who provide certain administrative and investment related services to the Plan pursuant to service agreements. Expenses paid by the Plan to these service providers are netted against investment earnings if paid through revenue sharing arrangements or included in administrative expenses if paid directly. During 2020, the Plan made direct payments to third-party service providers totaling $22,862, which are included in administrative expenses. These transactions qualify as exempt party-in-interest transactions.

Note 5 – Plan Termination

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

Note 6 – Tax Status

The Plan has adopted a volume submitter cash or deferred profit-sharing plan, pre-approved by the IRS. The IRS issued an opinion letter dated March 31, 2014, that the volume submitter profit-sharing plan is acceptable in accordance with the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion 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, believes that the Plan is qualified, and the related trust is tax-exempt.

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

Note 7 – Trustee/Custodian Certification

Certain information disclosed in the accompanying financial statements and supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) related to assets held at December 31, 2020 and 2019, and investment income and interest income on notes receivable from participants for the year ended December 31, 2020, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity Management Trust Company (Fidelity) and Matrix Trust Company (Matrix), the trustee/custodian of the Plan. Fidelity held certain Plan investment assets and executed investment transactions as of December 31, 2020 and 2019 and for the year ended December 31, 2020, and Matrix held certain Plan investment assets as of December 31, 2019.

The following is a summary of the investment assets certified by Matrix and Fidelity as of December 31, 2020 and 2019. There were no assets held by Matrix as of December 31, 2020. Investment income and interest income on notes receivable from participants disclosed in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020, was certified by Fidelity.

	2020	2019		
	Fidelity	Matrix	Fidelity	Total
Assets:				
Investments at fair value	$ 6,227,382	$ 1,469	$ 86,442	$ 87,911
Interest-bearing cash	-	-	4,868,385	4,868,385
Notes receivable from participants	66,900	-	77,631	77,631

Note 8 – Risks and Uncertainties

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

Note 9 – Delinquent Participant Contributions and Loan Repayments

During 2019, the Company failed to remit to the Plan's custodian/trustee certain participant contributions and loan repayments totaling $691 in the aggregate within the period prescribed by the Department of Labor's Rules and Regulations. Delays in remitting these contributions to the custodian/trustee were due to administrative errors. During 2020, the Company self-corrected these errors and made contributions to the affected participants' accounts to compensate those participants for potential lost income due to the delays. A receivable for the delinquent participant contributions totaling $375 as of December 31, 2019, is included on the statements of net assets available for benefits. The delinquent loan repayments which totaled $316 as of December 31, 2019, is included in notes receivable from participants on the statements of net assets available for benefits.

Note 10 – Self Correction Program

During 2020 and 2019, Company self-corrected certain operational errors related to 2019 employee elective deferrals under the IRS's Employee Plans Compliance Resolution System using the Self-Correction Program and making the required qualified non-elective contributions (QNEC) and related lost earnings which totaled $1,894 to the affected participants' accounts. The Company recorded a contribution receivable totaling $366 as of December 31, 2019, related to the QNEC remitted during 2020.

Note 11 – Reconciliation of Form 5500 to the Financial Statements

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2020 and 2019, to Form 5500:

	2020	2019
Net assets available for benefits per the financial statements	$ 6,411,253	$ 5,234,772
Employer contribution receivable - other	-	(366)
Net assets available for benefits per Form 5500	$ 6,411,253	$ 5,234,406

The following is a reconciliation of the change in net assets available for benefits per the financial statements for the year ended December 31, 2020, to Form 5500:

Net increase in net assets available for benefits per the financial statements	$ 1,176,481
Change in employer contribution receivable - other	366
Net increase in net assets available for benefits per Form 5500	$ 1,176,847

SUPPLEMENTAL INFORMATION

TALON AIR 401(K) PLAN
EMPLOYER IDENTIFICATION NUMBER 52-2214389/PLAN NUMBER 001
SCHEDULE H, LINE 4(a) - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
For the Year Ended December 31, 2020

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			
Check Here if Late Participant Loan Repayments are Included: ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 691		$ 691	$ -	$ -

TALON AIR 401(K) PLAN
EMPLOYER IDENTIFICATION NUMBER 52-2214389/PLAN NUMBER 001
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2020

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or	(d) Cost	(e) Current Value
	Money Market Fund:			
*	Fidelity Government Money Market	Money Market Fund	**	$ 109,239
	Mutual Funds:			
	Victory Sophus Emerging Markets	Mutual Fund	**	33,643
	JP Morgan Government Bond	Mutual Fund	**	40,899
	Goldman Sachs Inflation Protected Secs	Mutual Fund	**	5,305
	AM Century Small Cap Value	Mutual Fund	**	40,015
	American Funds American Mutual	Mutual Fund	**	30,924
	Janus Henderson Triton Fund	Mutual Fund	**	11,076
	Well Fargo Special Mid Cap Value	Mutual Fund	**	22,375
	MFS Mid Cap Growth	Mutual Fund	**	209,327
*	Fidelity US Bond Index	Mutual Fund	**	19,028
*	Fidelity 500 Index	Mutual Fund	**	905,534
*	Fidelity Emerging Markets Index	Mutual Fund	**	23,022
*	Fidelity Mid Cap Index	Mutual Fund	**	22,377
*	Fidelity Real Estate Index	Mutual Fund	**	10,852
*	Fidelity Small Cap Index	Mutual Fund	**	18,498
*	Fidelity Total Market Index	Mutual Fund	**	7,884
*	Fidelity International Index	Mutual Fund	**	31,441
*	Fidelity Large Cap Growth Index	Mutual Fund	**	98,911
*	Fidelity Large Cap Value Index	Mutual Fund	**	73,496
*	Fidelity US Sustainability Index	Mutual Fund	**	56,399
*	Fidelity Total Bond	Mutual Fund	**	19,480
*	Fidelity Blue Chip Growth	Mutual Fund	**	239,783
*	Fidelity Intl Cap Appreciation	Mutual Fund	**	92,363
*	Fidelity Interm Treasury Bond Index	Mutual Fund	**	149,075
		Total Mutual Funds		2,161,707
	Lifecycle Funds:			
*	Fidelity Freedom 2015	Lifecycle Fund	**	53,886
*	Fidelity Freedom 2020	Lifecycle Fund	**	376,936
*	Fidelity Freedom 2025	Lifecycle Fund	**	463,456
*	Fidelity Freedom 2030	Lifecycle Fund	**	391,621
*	Fidelity Freedom 2035	Lifecycle Fund	**	1,350,173
*	Fidelity Freedom 2040	Lifecycle Fund	**	326,756
*	Fidelity Freedom 2045	Lifecycle Fund	**	343,296
*	Fidelity Freedom 2050	Lifecycle Fund	**	420,618
*	Fidelity Freedom 2055	Lifecycle Fund	**	205,549
*	Fidelity Freedom 2060	Lifecycle Fund	**	22,800
*	Fidelity Freedom 2065	Lifecycle Fund	**	1,345
		Total Lifecycle Funds		3,956,436
		Total Investments		6,227,382
*	Notes Receivable from Participants	Interest rates ranging from 4.5% to 6.5%	-0-	66,900
				$ 6,294,282

* Indicates party-in-interest as defined by ERISA, if any.
** Cost information is not required for participant directed investments and, therefore, it is not included.

TMI CPA, P.C.
certified public accountant + advisor

TALON AIR 401(K) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

As of December 31, 2020 and 2019 and
For the Year Ended December 31, 2020

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5-11
SUPPLEMENTAL INFORMATION	
Schedule H, Line 4(a) - Schedule of Delinquent Participant Contributions	12
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	13

TMI CPA, P.C.
certified public accountant + advisor

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of
Talon Air 401(k) Plan
Farmingdale, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Talon Air 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Fidelity Management Trust Company (Fidelity) and Matrix Trust Company (Matrix), the trustee/custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that Fidelity held certain Plan investment assets and executed investment transactions as of December 31, 2020 and 2019 and for the year ended December 31, 2020, and Matrix held certain Plan investment assets as of December 31, 2019. The Plan administrator has obtained certifications from the trustee/custodian, that the information provided to the Plan administrator by the trustee/custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Line 4(a) - Schedule of Delinquent Participant Contributions and Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2020, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by Matrix and Fidelity, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

TMA CPA, P.C.

Hauppauge, New York
September 8, 2021

TALON AIR 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2020 and 2019

	2020	2019
Assets:		
Investments:		
Investments at fair value	$ 6,227,382	$ 87,911
Interest-bearing cash	-	4,868,385
Total Investments	6,227,382	4,956,296
Receivables:		
Employer contribution	116,971	200,104
Employer contribution - other (Note 10)	-	366
Participant contributions	-	375
Notes receivable from participants	66,900	77,631
Total Receivables	183,871	278,476
Net Assets Available for Benefits	$ 6,411,253	$ 5,234,772

See accompanying notes to the financial statements.

TALON AIR 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2020

Additions:		
Investment income:		
Net appreciation in fair value of investments	$	678,281
Interest and dividends		270,346
		948,627
Interest income on notes receivable from participants		4,444
Contributions:		
Employer		116,812
Participants		651,089
Rollovers		12,011
		779,912
Total Additions		1,732,983
Deductions:		
Benefits paid to participants		513,434
Deemed distrbutions		20,206
Administrative expenses		22,862
Total Deductions		556,502
Net Increase		1,176,481
Net Assets Available for Benefits:		
Beginning of Year		5,234,772
End of Year	$	6,411,253

See accompanying notes to the financial statements.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan

The following description of the Talon Air 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all eligible employees of Talon Air LLC (formerly Talon Air, Inc.) (the "Company"), who have completed 3 months of eligibility service. There is no minimum age requirement. Ineligible employees are defined as those that are covered by a collective bargaining agreement, leased employees, non-resident aliens and part time employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan administrator is responsible for oversight of the Plan, determines the appropriateness of the Plan's investment offerings and monitors investment performance.

On December 1, 2019, the Company changed the Plan's custodian/trustee from Matrix Trust Company (Matrix) to Fidelity Management Trust Company (Fidelity). On December 6, 2019, Matrix transferred $4,863,865 of Plan assets to Fidelity. The remaining assets consisting of cash held in a money market account totaling $1,469 was transferred to Fidelity during 2020.

Contributions

Each year, participants may contribute up to 100% of their pre-tax annual compensation, as defined in the Plan. Participants may also designate all or a portion of their elective deferrals as Roth (after-tax) contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may provide a matching contribution based on a discretionary percentage of base compensation that a participant contributes to the Plan. For the year ended December 31, 2020, the Company elected to match 50% of participants' contributions to the Plan, up to 6% of base compensation. Company matching contributions are invested in a portfolio of investments as directed by participants. For the year ended December 31, 2020, the Company made matching contributions totaling $116,971. Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Participant Accounts

Each participant's account is credited with the participant's contribution and Company matching contributions, as well as Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service. Participants shall also become 100% vested upon attainment of normal retirement age, as defined, while an employee of the Company.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and shall bear a reasonable rate of interest as determined by the Plan administrator based on the prevailing interest rates charged by similar institutions at the time of the loan issuance. Principal and interest is paid ratably through bi-weekly payroll deductions.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan (continued)

Payment of Benefits

On termination of service due to death, disability, retirement or for other reasons, a participant may elect to receive a lump-sum amount equal to the value in his or her account. In-service distributions are permitted for minimum required distributions and for a participant who is experiencing financial hardship or for participants who are still employed upon meeting the age requirement for required minimum distributions under IRS regulations.

Forfeited Accounts

At December 31, 2020 and 2019, forfeited nonvested accounts totaled $91,161 and $8,571, respectively. Forfeitures which are not used to pay administrative expense of the Plan, will be used to reduce future employer contributions. During 2020, forfeitures totaling $13,573 were used to pay expenses of the Plan. There were no forfeitures used during 2020 to reduce Company contributions.

Recent Regulatory and Economic Events

On January 1, 2020, the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) of 2019, which was enacted and signed into law on December 20, 2019 to incentivize saving and investing for retirement, went into effect. The SECURE Act a) increases the required minimum distribution (RMD) age for retirement accounts from age 70.5 to age 72; b) repeals the maximum age for traditional IRA contributions; c) requires employers to include long-term part-time employees who have completed at least 500 hours of service each year for three consecutive years and are age 21 or older, as participants in 401(k) plans, except in the case of collectively bargained plans. However, these participants can be excluded from safe harbor contributions, nondiscrimination and top-heavy requirements; d) allows for distributions of up to $5,000 from retirement accounts penalty-free within a year of birth or adoption for qualified expenses; e) allows automatic-enrollment safe harbor plans to increase the cap on raising payroll contributions from 10 percent to 15 percent; and f) allows individuals to withdraw up to $10,000 from 529 plans to repay their child's student loans.

In March 2020, the novel coronavirus (COVID-19) outbreak was declared a pandemic by the World Health Organization. The COVID-19 pandemic has adversely affected and may continue to adversely affect economic activity globally, nationally, and locally. Following the COVID-19 outbreak, the values of investment securities declined significantly. Such events may also adversely affect business and consumer confidence, generally, and the Plan sponsor and its customers, and their respective suppliers, vendors and processors may be adversely affected. These economic and market conditions and other effects of the COVID-19 outbreak may continue to adversely affect the Plan. The extent of the impact of COVID-19 on the Plan and on participants' account balances, and amounts reported in the December 31, 2020 statement of net assets available for benefits, will depend on future developments that are highly uncertain and cannot be predicted at this time.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), was enacted and signed into law. Section 2202 of the CARES Act provides for special distribution options and rollover rules for retirement plans and IRAs and expands permissible loans from certain qualified retirement plans. The CARES Act a) provides for expanded distribution options and waives the 10% early distribution penalty, for up to $100,000 of coronavirus-related distributions from eligible retirement plans (certain employer retirement plans, such as section 401(k) and 403(b) plans, and IRAs) to qualified individuals, as well as providing special rollover rules with respect to such distributions; b) allows plan sponsors to adopt a provision to allow participants who were impacted by COVID-19 and meet certain criteria, to increase the maximum amount eligible participants may borrow from their account to the lesser of $100,000 (minus outstanding plan loans of the individual), or 100% of the participant's vested balance for loans established from March 27, 2020, to September 22, 2020. Furthermore, it allows participants with existing loans to defer their loan repayments with a due date from the enactment date through December 31, 2020, for up to one year; and c) waives the requirement for participants to take a required minimum distribution (RMD) from their retirement account for the 2020 calendar year.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan (continued)

Recent Regulatory and Economic Events (continued)

On December 27, 2020, the Consolidated Appropriations Act, 2021 (CA Act) was enacted and signed into law. The CA Act includes a temporary rule preventing partial plan terminations for qualified retirement plans in some circumstances. The IRS previously issued guidance under the CARES Act clarifying that employees furloughed or laid off due to COVID-19 but rehired by the end of 2020 would not be counted in determining whether a retirement plan incurred a partial plan termination for the plan year. The CA Act gives employers broader relief than the IRS guidance. Under this new law, a retirement plan will not have a partial termination for a plan year if (1) any portion of the plan year includes the period beginning March 13, 2020, and ending on March 31, 2021, and (2) the number of active participants covered by the plan on March 31, 2021, is at least 80% of the number of active participants covered by the plan on March 13, 2020.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Plan considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan administrator determines the Plan's valuation policies utilizing information provided by investment advisers and custodian/trustee. See Note 3 for discussion of fair value measurements.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make note repayments and the Plan administrator deems the note to be in default, the note is treated as a taxable distribution from the participant's account. No allowance for credit losses has been recorded as of December 31, 2020 and 2019.

Payment of Benefits

Benefits are recorded when paid.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

Plan management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019:

Money market fund: Valued at cost, which estimates fair value.

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

Note 3 – Fair Value Measurements (continued)

Exchange traded funds: Valued at the closing price reported on the active market on which the exchange traded funds are traded. Exchange traded funds held by the Plan are open-ended funds that are registered with the SEC. These funds trade throughout the day at fair value, like common stock, and must calculate net asset value daily, like mutual funds.

Lifecycle funds: Valued at the daily closing price as reported by the fund. These investments, sometimes called "targeted" or "age-based" funds vary their assets among stocks, bonds, and money market funds. Similar to mutual funds, the lifecycle funds are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The lifecycle funds held by the Plan are deemed to be actively traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2020 and 2019. There were no level 2 or level 3 assets held by the Plan as of December 31, 2020 and 2019:

	Assets at Fair Value (Level 1)	
	2020	2019
Money market fund	$ 109,239	$ -
Mutual funds	2,161,707	10,923
Exchange traded funds	-	1,469
Lifecycle funds	3,956,436	75,519
Investments at fair value	$ 6,227,382	$ 87,911

Note 4 – Related Party Transactions and Party-in-Interest Transactions

Certain Plan investments held by the Plan are managed by Fidelity Investments, an affiliate of Fidelity Management Trust Company. Fidelity Management Trust Company is the Plan's trustee. These transactions qualify as exempt party-in-interest transactions.

The Plan also uses other third-party service providers who provide certain administrative and investment related services to the Plan pursuant to service agreements. Expenses paid by the Plan to these service providers are netted against investment earnings if paid through revenue sharing arrangements or included in administrative expenses if paid directly. During 2020, the Plan made direct payments to third-party service providers totaling $22,862, which are included in administrative expenses. These transactions qualify as exempt party-in-interest transactions.

Note 5 – Plan Termination

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

Note 6 – Tax Status

The Plan has adopted a volume submitter cash or deferred profit-sharing plan, pre-approved by the IRS. The IRS issued an opinion letter dated March 31, 2014, that the volume submitter profit-sharing plan is acceptable in accordance with the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion 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, believes that the Plan is qualified, and the related trust is tax-exempt.

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

Note 7 – Trustee/Custodian Certification

Certain information disclosed in the accompanying financial statements and supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) related to assets held at December 31, 2020 and 2019, and investment income and interest income on notes receivable from participants for the year ended December 31, 2020, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity Management Trust Company (Fidelity) and Matrix Trust Company (Matrix), the trustee/custodian of the Plan. Fidelity held certain Plan investment assets and executed investment transactions as of December 31, 2020 and 2019 and for the year ended December 31, 2020, and Matrix held certain Plan investment assets as of December 31, 2019.

The following is a summary of the investment assets certified by Matrix and Fidelity as of December 31, 2020 and 2019. There were no assets held by Matrix as of December 31, 2020. Investment income and interest income on notes receivable from participants disclosed in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020, was certified by Fidelity.

	2020	2019		
	Fidelity	Matrix	Fidelity	Total
Assets:				
Investments at fair value	$ 6,227,382	$ 1,469	$ 86,442	$ 87,911
Interest-bearing cash	-	-	4,868,385	4,868,385
Notes receivable from participants	66,900	-	77,631	77,631

Note 8 – Risks and Uncertainties

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

Note 9 – Delinquent Participant Contributions and Loan Repayments

During 2019, the Company failed to remit to the Plan's custodian/trustee certain participant contributions and loan repayments totaling $691 in the aggregate within the period prescribed by the Department of Labor's Rules and Regulations. Delays in remitting these contributions to the custodian/trustee were due to administrative errors. During 2020, the Company self-corrected these errors and made contributions to the affected participants' accounts to compensate those participants for potential lost income due to the delays. A receivable for the delinquent participant contributions totaling $375 as of December 31, 2019, is included on the statements of net assets available for benefits. The delinquent loan repayments which totaled $316 as of December 31, 2019, is included in notes receivable from participants on the statements of net assets available for benefits.

Note 10 – Self Correction Program

During 2020 and 2019, Company self-corrected certain operational errors related to 2019 employee elective deferrals under the IRS's Employee Plans Compliance Resolution System using the Self-Correction Program and making the required qualified non-elective contributions (QNEC) and related lost earnings which totaled $1,894 to the affected participants' accounts. The Company recorded a contribution receivable totaling $366 as of December 31, 2019, related to the QNEC remitted during 2020.

Note 11 – Reconciliation of Form 5500 to the Financial Statements

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2020 and 2019, to Form 5500:

	2020	2019
Net assets available for benefits per the financial statements	$ 6,411,253	$ 5,234,772
Employer contribution receivable - other	-	(366)
Net assets available for benefits per Form 5500	$ 6,411,253	$ 5,234,406

The following is a reconciliation of the change in net assets available for benefits per the financial statements for the year ended December 31, 2020, to Form 5500:

Net increase in net assets available for benefits per the financial statements	$ 1,176,481
Change in employer contribution receivable - other	366
Net increase in net assets available for benefits per Form 5500	$ 1,176,847

SUPPLEMENTAL INFORMATION

TALON AIR 401(K) PLAN
EMPLOYER IDENTIFICATION NUMBER 52-2214389/PLAN NUMBER 001
SCHEDULE H, LINE 4(a) - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
For the Year Ended December 31, 2020

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			
Check Here if Late Participant Loan Repayments are Included: ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 691		$ 691	$ -	$ -

TALON AIR 401(K) PLAN
EMPLOYER IDENTIFICATION NUMBER 52-2214389/PLAN NUMBER 001
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2020

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or	(d) Cost	(e) Current Value
	Money Market Fund:			
*	Fidelity Government Money Market	Money Market Fund	**	$ 109,239
	Mutual Funds:			
	Victory Sophus Emerging Markets	Mutual Fund	**	33,643
	JP Morgan Government Bond	Mutual Fund	**	40,899
	Goldman Sachs Inflation Protected Secs	Mutual Fund	**	5,305
	AM Century Small Cap Value	Mutual Fund	**	40,015
	American Funds American Mutual	Mutual Fund	**	30,924
	Janus Henderson Triton Fund	Mutual Fund	**	11,076
	Well Fargo Special Mid Cap Value	Mutual Fund	**	22,375
	MFS Mid Cap Growth	Mutual Fund	**	209,327
*	Fidelity US Bond Index	Mutual Fund	**	19,028
*	Fidelity 500 Index	Mutual Fund	**	905,534
*	Fidelity Emerging Markets Index	Mutual Fund	**	23,022
*	Fidelity Mid Cap Index	Mutual Fund	**	22,377
*	Fidelity Real Estate Index	Mutual Fund	**	10,852
*	Fidelity Small Cap Index	Mutual Fund	**	18,498
*	Fidelity Total Market Index	Mutual Fund	**	7,884
*	Fidelity International Index	Mutual Fund	**	31,441
*	Fidelity Large Cap Growth Index	Mutual Fund	**	98,911
*	Fidelity Large Cap Value Index	Mutual Fund	**	73,496
*	Fidelity US Sustainability Index	Mutual Fund	**	56,399
*	Fidelity Total Bond	Mutual Fund	**	19,480
*	Fidelity Blue Chip Growth	Mutual Fund	**	239,783
*	Fidelity Intl Cap Appreciation	Mutual Fund	**	92,363
*	Fidelity Interm Treasury Bond Index	Mutual Fund	**	149,075
		Total Mutual Funds		2,161,707
	Lifecycle Funds:			
*	Fidelity Freedom 2015	Lifecycle Fund	**	53,886
*	Fidelity Freedom 2020	Lifecycle Fund	**	376,936
*	Fidelity Freedom 2025	Lifecycle Fund	**	463,456
*	Fidelity Freedom 2030	Lifecycle Fund	**	391,621
*	Fidelity Freedom 2035	Lifecycle Fund	**	1,350,173
*	Fidelity Freedom 2040	Lifecycle Fund	**	326,756
*	Fidelity Freedom 2045	Lifecycle Fund	**	343,296
*	Fidelity Freedom 2050	Lifecycle Fund	**	420,618
*	Fidelity Freedom 2055	Lifecycle Fund	**	205,549
*	Fidelity Freedom 2060	Lifecycle Fund	**	22,800
*	Fidelity Freedom 2065	Lifecycle Fund	**	1,345
		Total Lifecycle Funds		3,956,436
		Total Investments		6,227,382
*	Notes Receivable from Participants	Interest rates ranging from 4.5% to 6.5%	-0-	66,900
				$ 6,294,282

* Indicates party-in-interest as defined by ERISA, if any.
** Cost information is not required for participant directed investments and, therefore, it is not included.

TMI CPA, P.C.
certified public accountant + advisor

TALON AIR 401(K) PLAN

FINANCIAL STATEMENTS AND SUPPLEMENTAL INFORMATION

As of December 31, 2020 and 2019 and
For the Year Ended December 31, 2020

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1-2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statement of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5-11
SUPPLEMENTAL INFORMATION	
Schedule H, Line 4(a) - Schedule of Delinquent Participant Contributions	12
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	13

TMI CPA, P.C.
certified public accountant + advisor

INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of
Talon Air 401(k) Plan
Farmingdale, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Talon Air 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statement of changes in net assets available for benefits for the year ended December 31, 2020, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Fidelity Management Trust Company (Fidelity) and Matrix Trust Company (Matrix), the trustee/custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that Fidelity held certain Plan investment assets and executed investment transactions as of December 31, 2020 and 2019 and for the year ended December 31, 2020, and Matrix held certain Plan investment assets as of December 31, 2019. The Plan administrator has obtained certifications from the trustee/custodian, that the information provided to the Plan administrator by the trustee/custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental Schedule H, Line 4(a) - Schedule of Delinquent Participant Contributions and Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of or for the year ended December 31, 2020, are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by Matrix and Fidelity, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

TMA CPA, P.C.

Hauppauge, New York
September 8, 2021

TALON AIR 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2020 and 2019

	2020	2019
Assets:		
Investments:		
Investments at fair value	$ 6,227,382	$ 87,911
Interest-bearing cash	-	4,868,385
Total Investments	6,227,382	4,956,296
Receivables:		
Employer contribution	116,971	200,104
Employer contribution - other (Note 10)	-	366
Participant contributions	-	375
Notes receivable from participants	66,900	77,631
Total Receivables	183,871	278,476
Net Assets Available for Benefits	$ 6,411,253	$ 5,234,772

See accompanying notes to the financial statements.

TALON AIR 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2020

Additions:		
Investment income:		
Net appreciation in fair value of investments	$	678,281
Interest and dividends		270,346
		948,627
Interest income on notes receivable from participants		4,444
Contributions:		
Employer		116,812
Participants		651,089
Rollovers		12,011
		779,912
Total Additions		1,732,983
Deductions:		
Benefits paid to participants		513,434
Deemed distrbutions		20,206
Administrative expenses		22,862
Total Deductions		556,502
Net Increase		1,176,481
Net Assets Available for Benefits:		
Beginning of Year		5,234,772
End of Year	$	6,411,253

See accompanying notes to the financial statements.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan

The following description of the Talon Air 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all eligible employees of Talon Air LLC (formerly Talon Air, Inc.) (the "Company"), who have completed 3 months of eligibility service. There is no minimum age requirement. Ineligible employees are defined as those that are covered by a collective bargaining agreement, leased employees, non-resident aliens and part time employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan administrator is responsible for oversight of the Plan, determines the appropriateness of the Plan's investment offerings and monitors investment performance.

On December 1, 2019, the Company changed the Plan's custodian/trustee from Matrix Trust Company (Matrix) to Fidelity Management Trust Company (Fidelity). On December 6, 2019, Matrix transferred $4,863,865 of Plan assets to Fidelity. The remaining assets consisting of cash held in a money market account totaling $1,469 was transferred to Fidelity during 2020.

Contributions

Each year, participants may contribute up to 100% of their pre-tax annual compensation, as defined in the Plan. Participants may also designate all or a portion of their elective deferrals as Roth (after-tax) contributions. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Company may provide a matching contribution based on a discretionary percentage of base compensation that a participant contributes to the Plan. For the year ended December 31, 2020, the Company elected to match 50% of participants' contributions to the Plan, up to 6% of base compensation. Company matching contributions are invested in a portfolio of investments as directed by participants. For the year ended December 31, 2020, the Company made matching contributions totaling $116,971. Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Participant Accounts

Each participant's account is credited with the participant's contribution and Company matching contributions, as well as Plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service. Participants shall also become 100% vested upon attainment of normal retirement age, as defined, while an employee of the Company.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and shall bear a reasonable rate of interest as determined by the Plan administrator based on the prevailing interest rates charged by similar institutions at the time of the loan issuance. Principal and interest is paid ratably through bi-weekly payroll deductions.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan (continued)

Payment of Benefits

On termination of service due to death, disability, retirement or for other reasons, a participant may elect to receive a lump-sum amount equal to the value in his or her account. In-service distributions are permitted for minimum required distributions and for a participant who is experiencing financial hardship or for participants who are still employed upon meeting the age requirement for required minimum distributions under IRS regulations.

Forfeited Accounts

At December 31, 2020 and 2019, forfeited nonvested accounts totaled $91,161 and $8,571, respectively. Forfeitures which are not used to pay administrative expense of the Plan, will be used to reduce future employer contributions. During 2020, forfeitures totaling $13,573 were used to pay expenses of the Plan. There were no forfeitures used during 2020 to reduce Company contributions.

Recent Regulatory and Economic Events

On January 1, 2020, the Setting Every Community Up for Retirement Enhancement Act (SECURE Act) of 2019, which was enacted and signed into law on December 20, 2019 to incentivize saving and investing for retirement, went into effect. The SECURE Act a) increases the required minimum distribution (RMD) age for retirement accounts from age 70.5 to age 72; b) repeals the maximum age for traditional IRA contributions; c) requires employers to include long-term part-time employees who have completed at least 500 hours of service each year for three consecutive years and are age 21 or older, as participants in 401(k) plans, except in the case of collectively bargained plans. However, these participants can be excluded from safe harbor contributions, nondiscrimination and top-heavy requirements; d) allows for distributions of up to $5,000 from retirement accounts penalty-free within a year of birth or adoption for qualified expenses; e) allows automatic-enrollment safe harbor plans to increase the cap on raising payroll contributions from 10 percent to 15 percent; and f) allows individuals to withdraw up to $10,000 from 529 plans to repay their child's student loans.

In March 2020, the novel coronavirus (COVID-19) outbreak was declared a pandemic by the World Health Organization. The COVID-19 pandemic has adversely affected and may continue to adversely affect economic activity globally, nationally, and locally. Following the COVID-19 outbreak, the values of investment securities declined significantly. Such events may also adversely affect business and consumer confidence, generally, and the Plan sponsor and its customers, and their respective suppliers, vendors and processors may be adversely affected. These economic and market conditions and other effects of the COVID-19 outbreak may continue to adversely affect the Plan. The extent of the impact of COVID-19 on the Plan and on participants' account balances, and amounts reported in the December 31, 2020 statement of net assets available for benefits, will depend on future developments that are highly uncertain and cannot be predicted at this time.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), was enacted and signed into law. Section 2202 of the CARES Act provides for special distribution options and rollover rules for retirement plans and IRAs and expands permissible loans from certain qualified retirement plans. The CARES Act a) provides for expanded distribution options and waives the 10% early distribution penalty, for up to $100,000 of coronavirus-related distributions from eligible retirement plans (certain employer retirement plans, such as section 401(k) and 403(b) plans, and IRAs) to qualified individuals, as well as providing special rollover rules with respect to such distributions; b) allows plan sponsors to adopt a provision to allow participants who were impacted by COVID-19 and meet certain criteria, to increase the maximum amount eligible participants may borrow from their account to the lesser of $100,000 (minus outstanding plan loans of the individual), or 100% of the participant's vested balance for loans established from March 27, 2020, to September 22, 2020. Furthermore, it allows participants with existing loans to defer their loan repayments with a due date from the enactment date through December 31, 2020, for up to one year; and c) waives the requirement for participants to take a required minimum distribution (RMD) from their retirement account for the 2020 calendar year.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 1 – Description of Plan (continued)

Recent Regulatory and Economic Events (continued)

On December 27, 2020, the Consolidated Appropriations Act, 2021 (CA Act) was enacted and signed into law. The CA Act includes a temporary rule preventing partial plan terminations for qualified retirement plans in some circumstances. The IRS previously issued guidance under the CARES Act clarifying that employees furloughed or laid off due to COVID-19 but rehired by the end of 2020 would not be counted in determining whether a retirement plan incurred a partial plan termination for the plan year. The CA Act gives employers broader relief than the IRS guidance. Under this new law, a retirement plan will not have a partial termination for a plan year if (1) any portion of the plan year includes the period beginning March 13, 2020, and ending on March 31, 2021, and (2) the number of active participants covered by the plan on March 31, 2021, is at least 80% of the number of active participants covered by the plan on March 13, 2020.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Plan considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan administrator determines the Plan's valuation policies utilizing information provided by investment advisers and custodian/trustee. See Note 3 for discussion of fair value measurements.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make note repayments and the Plan administrator deems the note to be in default, the note is treated as a taxable distribution from the participant's account. No allowance for credit losses has been recorded as of December 31, 2020 and 2019.

Payment of Benefits

Benefits are recorded when paid.

TALON AIR 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019

Note 2 – Summary of Significant Accounting Policies (continued)

Administrative Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

Plan management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

Note 3 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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

Level 2 Inputs to the valuation methodology include:

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

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

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019:

Money market fund: Valued at cost, which estimates fair value.

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

Note 3 – Fair Value Measurements (continued)

Exchange traded funds: Valued at the closing price reported on the active market on which the exchange traded funds are traded. Exchange traded funds held by the Plan are open-ended funds that are registered with the SEC. These funds trade throughout the day at fair value, like common stock, and must calculate net asset value daily, like mutual funds.

Lifecycle funds: Valued at the daily closing price as reported by the fund. These investments, sometimes called "targeted" or "age-based" funds vary their assets among stocks, bonds, and money market funds. Similar to mutual funds, the lifecycle funds are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The lifecycle funds held by the Plan are deemed to be actively traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2020 and 2019. There were no level 2 or level 3 assets held by the Plan as of December 31, 2020 and 2019:

	Assets at Fair Value (Level 1)	
	2020	2019
Money market fund	$ 109,239	$ -
Mutual funds	2,161,707	10,923
Exchange traded funds	-	1,469
Lifecycle funds	3,956,436	75,519
Investments at fair value	$ 6,227,382	$ 87,911

Note 4 – Related Party Transactions and Party-in-Interest Transactions

Certain Plan investments held by the Plan are managed by Fidelity Investments, an affiliate of Fidelity Management Trust Company. Fidelity Management Trust Company is the Plan's trustee. These transactions qualify as exempt party-in-interest transactions.

The Plan also uses other third-party service providers who provide certain administrative and investment related services to the Plan pursuant to service agreements. Expenses paid by the Plan to these service providers are netted against investment earnings if paid through revenue sharing arrangements or included in administrative expenses if paid directly. During 2020, the Plan made direct payments to third-party service providers totaling $22,862, which are included in administrative expenses. These transactions qualify as exempt party-in-interest transactions.

Note 5 – Plan Termination

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

Note 6 – Tax Status

The Plan has adopted a volume submitter cash or deferred profit-sharing plan, pre-approved by the IRS. The IRS issued an opinion letter dated March 31, 2014, that the volume submitter profit-sharing plan is acceptable in accordance with the applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the opinion 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, believes that the Plan is qualified, and the related trust is tax-exempt.

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

Note 7 – Trustee/Custodian Certification

Certain information disclosed in the accompanying financial statements and supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) related to assets held at December 31, 2020 and 2019, and investment income and interest income on notes receivable from participants for the year ended December 31, 2020, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity Management Trust Company (Fidelity) and Matrix Trust Company (Matrix), the trustee/custodian of the Plan. Fidelity held certain Plan investment assets and executed investment transactions as of December 31, 2020 and 2019 and for the year ended December 31, 2020, and Matrix held certain Plan investment assets as of December 31, 2019.

The following is a summary of the investment assets certified by Matrix and Fidelity as of December 31, 2020 and 2019. There were no assets held by Matrix as of December 31, 2020. Investment income and interest income on notes receivable from participants disclosed in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020, was certified by Fidelity.

	2020	2019		
	Fidelity	Matrix	Fidelity	Total
Assets:				
Investments at fair value	$ 6,227,382	$ 1,469	$ 86,442	$ 87,911
Interest-bearing cash	-	-	4,868,385	4,868,385
Notes receivable from participants	66,900	-	77,631	77,631

Note 8 – Risks and Uncertainties

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

Note 9 – Delinquent Participant Contributions and Loan Repayments

During 2019, the Company failed to remit to the Plan's custodian/trustee certain participant contributions and loan repayments totaling $691 in the aggregate within the period prescribed by the Department of Labor's Rules and Regulations. Delays in remitting these contributions to the custodian/trustee were due to administrative errors. During 2020, the Company self-corrected these errors and made contributions to the affected participants' accounts to compensate those participants for potential lost income due to the delays. A receivable for the delinquent participant contributions totaling $375 as of December 31, 2019, is included on the statements of net assets available for benefits. The delinquent loan repayments which totaled $316 as of December 31, 2019, is included in notes receivable from participants on the statements of net assets available for benefits.

Note 10 – Self Correction Program

During 2020 and 2019, Company self-corrected certain operational errors related to 2019 employee elective deferrals under the IRS's Employee Plans Compliance Resolution System using the Self-Correction Program and making the required qualified non-elective contributions (QNEC) and related lost earnings which totaled $1,894 to the affected participants' accounts. The Company recorded a contribution receivable totaling $366 as of December 31, 2019, related to the QNEC remitted during 2020.

Note 11 – Reconciliation of Form 5500 to the Financial Statements

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2020 and 2019, to Form 5500:

	2020	2019
Net assets available for benefits per the financial statements	$ 6,411,253	$ 5,234,772
Employer contribution receivable - other	-	(366)
Net assets available for benefits per Form 5500	$ 6,411,253	$ 5,234,406

The following is a reconciliation of the change in net assets available for benefits per the financial statements for the year ended December 31, 2020, to Form 5500:

Net increase in net assets available for benefits per the financial statements	$ 1,176,481
Change in employer contribution receivable - other	366
Net increase in net assets available for benefits per Form 5500	$ 1,176,847

SUPPLEMENTAL INFORMATION

TALON AIR 401(K) PLAN
EMPLOYER IDENTIFICATION NUMBER 52-2214389/PLAN NUMBER 001
SCHEDULE H, LINE 4(a) - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
For the Year Ended December 31, 2020

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			
Check Here if Late Participant Loan Repayments are Included: ☑	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
$ 691		$ 691	$ -	$ -

TALON AIR 401(K) PLAN
EMPLOYER IDENTIFICATION NUMBER 52-2214389/PLAN NUMBER 001
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2020

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or	(d) Cost	(e) Current Value
	Money Market Fund:			
*	Fidelity Government Money Market	Money Market Fund	**	$ 109,239
	Mutual Funds:			
	Victory Sophus Emerging Markets	Mutual Fund	**	33,643
	JP Morgan Government Bond	Mutual Fund	**	40,899
	Goldman Sachs Inflation Protected Secs	Mutual Fund	**	5,305
	AM Century Small Cap Value	Mutual Fund	**	40,015
	American Funds American Mutual	Mutual Fund	**	30,924
	Janus Henderson Triton Fund	Mutual Fund	**	11,076
	Well Fargo Special Mid Cap Value	Mutual Fund	**	22,375
	MFS Mid Cap Growth	Mutual Fund	**	209,327
*	Fidelity US Bond Index	Mutual Fund	**	19,028
*	Fidelity 500 Index	Mutual Fund	**	905,534
*	Fidelity Emerging Markets Index	Mutual Fund	**	23,022
*	Fidelity Mid Cap Index	Mutual Fund	**	22,377
*	Fidelity Real Estate Index	Mutual Fund	**	10,852
*	Fidelity Small Cap Index	Mutual Fund	**	18,498
*	Fidelity Total Market Index	Mutual Fund	**	7,884
*	Fidelity International Index	Mutual Fund	**	31,441
*	Fidelity Large Cap Growth Index	Mutual Fund	**	98,911
*	Fidelity Large Cap Value Index	Mutual Fund	**	73,496
*	Fidelity US Sustainability Index	Mutual Fund	**	56,399
*	Fidelity Total Bond	Mutual Fund	**	19,480
*	Fidelity Blue Chip Growth	Mutual Fund	**	239,783
*	Fidelity Intl Cap Appreciation	Mutual Fund	**	92,363
*	Fidelity Interm Treasury Bond Index	Mutual Fund	**	149,075
		Total Mutual Funds		2,161,707
	Lifecycle Funds:			
*	Fidelity Freedom 2015	Lifecycle Fund	**	53,886
*	Fidelity Freedom 2020	Lifecycle Fund	**	376,936
*	Fidelity Freedom 2025	Lifecycle Fund	**	463,456
*	Fidelity Freedom 2030	Lifecycle Fund	**	391,621
*	Fidelity Freedom 2035	Lifecycle Fund	**	1,350,173
*	Fidelity Freedom 2040	Lifecycle Fund	**	326,756
*	Fidelity Freedom 2045	Lifecycle Fund	**	343,296
*	Fidelity Freedom 2050	Lifecycle Fund	**	420,618
*	Fidelity Freedom 2055	Lifecycle Fund	**	205,549
*	Fidelity Freedom 2060	Lifecycle Fund	**	22,800
*	Fidelity Freedom 2065	Lifecycle Fund	**	1,345
		Total Lifecycle Funds		3,956,436
		Total Investments		6,227,382
*	Notes Receivable from Participants	Interest rates ranging from 4.5% to 6.5%	-0-	66,900
				$ 6,294,282

* Indicates party-in-interest as defined by ERISA, if any.
** Cost information is not required for participant directed investments and, therefore, it is not included.