

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 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
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.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>MANHATTAN BEACHWEAR, LLC 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/2001</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2001</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2001</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>MANHATTAN BEACHWEAR, LLC.</u> <u>10855 BUSINESS CENTER DR. SUITE C</u> <u>CYPRESS, CA 90630</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>86-2093877</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>888-481-2235</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>315280</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>86-2093877</u>	2c Plan Sponsor's telephone number <u>888-481-2235</u>	2d Business code (see instructions) <u>315280</u>	
2b Employer Identification Number (EIN) <u>86-2093877</u>					
2c Plan Sponsor's telephone number <u>888-481-2235</u>					
2d Business code (see instructions) <u>315280</u>					

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including 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.	09/21/2022	SILVIA VENTURA-MURPHY
	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

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

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name MANHATTAN BEACHWEAR, INC. c Plan Name MANHATTAN BEACHWEAR, INC. 401(K) PLAN		4b EIN 95-4475766 4d PN 001	
5 Total number of participants at the beginning of the plan year		5	209
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)	87
a(2) Total number of active participants at the end of the plan year		6a(2)	103
b Retired or separated participants receiving benefits.....		6b	4
c Other retired or separated participants entitled to future benefits		6c	95
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	202
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	202
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	186
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	1
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: 2A 2E 2F 2G 2J 2K 2S 2T 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) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan MANHATTAN BEACHWEAR, LLC 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 MANHATTAN BEACHWEAR, LLC.	D Employer Identification Number (EIN) 86-2093877	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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

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

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

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 60 64 65	RECORDKEEPER	27453	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

MMA SECURITIES

22-3570392

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	20544	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 ☐

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
DE IVY INTL CR EQ I - WI SERVICES P.O. BOX 29217 SHAWNEE MISSION, KS 66201	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
WA CORE PLUS BOND I - BNY MELLON I 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.10%	
(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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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

a Name:	WRIGHT, FORD, YOUNG & CO.	b EIN:	95-3288054
c Position:	AUDITOR		
d Address:	16140 SAND CANYON AVENUE IRVINE, CA 92618	e Telephone:	949-910-2728

Explanation: DUE TO NORMAL COMPETITIVE CIRCUMSTANCES

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 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan MANHATTAN BEACHWEAR, LLC 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 MANHATTAN BEACHWEAR, LLC.	D Employer Identification Number (EIN) 86-2093877	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	3118
(2) Participant contributions.....	1b(2)	0	22560
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1004111	964949
(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)	93416	70405
(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)	7148128	7723527
(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 8245655	8784559
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 through 1j)	1k 0	0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l 8245655	8784559

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A) 13905	
	(B) Participants	2a(1)(B) 315899	
	(C) Others (including rollovers).....	2a(1)(C) 2625	
(2)	Noncash contributions.....	2a(2) 0	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)	332429
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A) 99	
	(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) 4603	
	(F) Other	2b(1)(F) 0	
	(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)	4702
(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) 405631	
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)	405631
(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)	
(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)	

		(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)		714067
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		1456829
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	867617	
(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)		867617
f Corrective distributions (see instructions).....	2f		2182
g Certain deemed distributions of participant loans (see instructions).....	2g		0
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)	128	
(4) Other.....	2i(4)	47998	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		48126
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		917925
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		538904
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) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: LUTZ & COMPANY, P.C.

(2) EIN: 47-0625816

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:

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.).....

	Yes	No	Amount
4a	X		13073

	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?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		X	
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?		X	
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.)	X		
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
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.		X	
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 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>MANHATTAN BEACHWEAR, LLC 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MANHATTAN BEACHWEAR, LLC.</u>	D Employer Identification Number (EIN) <u>86-2093877</u>

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): <u>04-6568107</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2021
v. 201209

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 _____

**Manhattan Beachwear, LLC 401(k) Plan
(Formerly known as Manhattan Beachwear,
Inc. 401(k) Plan)**

Financial Statements and Independent Auditors' Report

December 31, 2021 and 2020



Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

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Note: Schedules required by the Employee Retirement Income Security Act of 1974 that have not been included herein are not applicable.

INDEPENDENT AUDITORS' REPORT

Plan Committee

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)
Cypress, California

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan) (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after September 20, 2022.

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

Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

Other Matters

2021 Supplementary Information Required by ERISA

The supplementary information as of and for the year ended December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplementary information related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

The financial statements of the Plan as of and for the year ended December 31, 2020 were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report, dated September 1, 2021, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Lutz & Company, P.C.

September 20, 2022

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Statements of Net Assets Available for Benefits

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at Fair Value	\$ 8,688,476	\$ 8,152,239
Receivables		
Notes Receivable from Participants	70,405	93,416
Employer Contributions	3,118	-
Participant Contributions	22,560	-
Total Receivables	96,083	93,416
NET ASSETS AVAILABLE FOR BENEFITS	\$ 8,784,559	\$ 8,245,655

See Notes to Financial Statements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO		
Investment Income		
Net Appreciation in Fair Value of Investments	\$ 714,067	\$ 1,031,370
Interest and Dividends from Investments	405,730	237,650
Total Investment Income	1,119,797	1,269,020
Interest Income on Notes Receivable from Participants	4,603	10,983
Contributions		
Employer	13,905	32,092
Participant	318,524	391,167
Total Contributions	332,429	423,259
Total Additions	1,456,829	1,703,262
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Benefits Paid Directly to Participants	869,799	3,285,430
Administrative Expenses	48,126	61,262
Total Deductions	917,925	3,346,692
NET INCREASE (DECREASE)	538,904	(1,643,430)
Net Assets Available for Benefits, Beginning of Year	8,245,655	9,889,085
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 8,784,559	\$ 8,245,655

See Notes to Financial Statements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

1. Plan Description

The following description of the Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 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 subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was established to provide retirement benefits for eligible employees of Manhattan Beachwear, LLC (formally Manhattan Beachwear, Inc.) (the Company).

Employees are eligible to make salary reduction contributions and receive discretionary matching and profit sharing contributions after attaining age 18 and completing one month of service. Eligible employees become participants on the first day of the month following the date on which entry requirements were met. Employees must have 1,000 hours of service and be employed on the last day of the Plan year to receive discretionary profit sharing contributions.

Contributions

Participants

Participants may make voluntary salary pre-tax and Roth contributions up to 90% of eligible compensation, not to exceed the maximum dollar limits allowable by law. All participants who meet the eligibility requirements are automatically enrolled with an initial 2% pre-tax salary deferral contribution. At any time, a participant can elect not to contribute or may increase or decrease his or her deferral rate as allowed under Plan provisions. Participants who are age 50 or older may make additional catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans. Contributions are subject to certain limitations.

Employer

The Company may make discretionary matching contributions. The Company suspended the discretionary matching contribution from May 1, 2020 to August 7, 2021 in response to the economic uncertainties caused by the COVID-19 Pandemic. The Company's discretionary matching contribution was equal to 25% of elective deferrals up to 4% of eligible compensation for 2021 (after August 7, 2021) and 2020 (before May1, 2020). The Company may also make discretionary profit sharing contributions (none in 2021 or 2020).

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of a) the Company's discretionary matching and profit sharing contributions and b) Plan earnings or losses. The Company's discretionary matching contributions are allocated among participants based upon each eligible participant's elected salary deferral. The Company's discretionary profit sharing contributions are allocated among participants based upon eligible compensation of the participants. Plan earnings or losses are allocated on the basis of actual results of the investments selected by each participant. Investments are maintained in individual member accounts managed by Fidelity Management Trust Company (Fidelity).

Vesting

Participants are vested immediately in their contributions plus earnings thereon. Vesting in employer contributions credited to participants' accounts are based on years of continuous service. Participants are 25% vested after two years of credited service and vesting increases 25% per year until a participant is 100% vested after five years of credited service. Effective August 8, 2021, participants are 50% vested in the Company discretionary matching contributions after one year of credited service and 100% vested after two years of credited service.

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 bear interest at rates which are commensurate with local prevailing rates. The term of the note is limited to five years (ten years if used to purchase a principal residence) and all principal and interest payments must be made through payroll deductions.

Payment of Benefits

Upon termination, retirement, disability, or death, the participant or beneficiary may elect to receive a lump sum equal to the value of the vested funds allocated to the participant's account. The Plan automatically distributes those benefits that are under \$1,000 in the event the participant does not elect a payout option. The Plan requires that distributions between \$1,000 and \$5,000 be directly rolled over to an individual retirement account designated by the plan administrator in the event the participant does not elect a payout option. Benefits are recorded when paid.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

Coronavirus Aid, Relief and Economic Security (CARES) Act Provisions

As a result of the CARES Act, signed on March 27, 2020, the Plan implemented additional provisions that were effective only during the Plan year ended December 31, 2020. The Plan allowed early withdrawals for participants impacted by coronavirus. The 10% IRS tax penalty was waived for up to \$100,000 for early withdrawals by participants directly impacted by coronavirus through December 2020. Participants were also able to borrow from their accounts up to \$100,000 or 100% of their vested account balance through September 2020. Repayments of any new or existing note receivables from participants were eligible to be delayed up to one year.

Forfeitures

Upon a participant's termination of employment before normal retirement, disability, or death, the portion of their employer contributions not then vested shall be forfeited. The forfeited portion of any participant's account may be used to reduce expenses or to reduce future Company contributions. At December 31, 2021 and 2020, forfeited non-vested accounts totaled \$800 and \$236, respectively. During 2021 and 2020, \$1,572 and \$11,005, respectively, of forfeited amounts were used to reduce Company contributions and administrative expenses.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is set forth below.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America.

Presentation of Participant-Directed Funds

The Plan's presentation of participant-directed investments is in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 962, *Plan Accounting – Defined Contribution Pension Plans*.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

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. Delinquent notes are reclassified as distributions based upon the terms of the Plan document.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Other fees specifically incurred by or attributable to individual participants are paid from the applicable participant's account and included in administrative expenses. Investment related expenses are included in net appreciation in fair value of investments.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. 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.

Reclassifications

Certain reclassifications have been made to the 2020 financial statements to conform with the 2021 presentation.

Subsequent Events

Subsequent events are events or transactions that occur after the statement of net assets available for benefits date, but before the financial statements are available to be issued and may require potential recognition or disclosure in the financial statements. Management has considered such events or transactions through September 30, 2022, noting no items requiring disclosure.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

3. Information Certified by Fidelity

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Fidelity, except for comparing such information certified by the custodian to information included in the Plan's financial statements and supplementary information.

The following table presents the value of the participant-directed Plan assets that were certified by Fidelity at December 31:

	<u>2021</u>	<u>2020</u>
Investments at Fair Value	\$ 8,688,476	\$ 8,152,239
Notes Receivable from Participants	\$ 70,405	\$ 93,416

Fidelity also certified to the completeness and accuracy of the following related to the aforementioned Plan assets for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Net Appreciation in Fair Value of Investments	\$ 714,067	\$ 1,031,370
Interest and Dividends from Investments	405,730	237,650
Total Investment Income	\$ 1,119,797	\$ 1,269,020
Interest Income on Notes Receivable from Participants	\$ 4,603	\$ 10,983

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). 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;

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

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

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

The following table presents by level, within the fair value hierarchy, the Plan's investments at fair value at December 31, 2021.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 7,723,527	\$ -	\$ -	\$ 7,723,527
Money Market Fund	964,949	-	-	964,949
Total Investments at Fair Value	<u>\$ 8,688,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,688,476</u>

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

The following table presents by level, within the fair value hierarchy, the Plan's investments at fair value at December 31, 2020.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 7,148,128	\$ -	\$ -	\$ 7,148,128
Money Market Fund	1,004,111	-	-	1,004,111
Total Investments at Fair Value	<u>\$ 8,152,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,152,239</u>

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue their contributions at any time and to terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested. Distribution to participants of the account balances would be made as soon as practicable after the termination date.

6. Partial Plan Termination

In 2020, the Company reduced its workforce, and as a result, determined that a partial plan termination had occurred. Statutes require that all affected participants be fully vested in their account balances, including employer contributions, once a partial plan termination has occurred. Employees who terminate between January 1, 2020 and the later of a) December 31, 2020 or b) 60 days following the federally declared end of the COVID-19 national order, are 100% vested in employer contributions unless a participant terminated on or after August 8, 2021 without at least one hour of service.

7. Tax Status

The Plan is qualified as a profit sharing plan under Section 401(a) of the Internal Revenue Code and is exempt from Federal income taxation under Section 501(a) of the Internal Revenue Code.

The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the financial statements.

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 (or asset) 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 administrator has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2018.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

8. Related Party Transactions

Certain Plan investments are assets managed by Fidelity. Fidelity is the trustee and recordkeeper as defined by the Plan, and therefore these transactions qualify as party-in-interest transactions.

SUPPLEMENTARY INFORMATION

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Schedule of Assets (Held at End of Year) – Schedule H – Item 4i

Year Ended December 31, 2021

Employer Identification Number 86-2093877
Plan Number 001

	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
FIDELITY MANAGEMENT TRUST COMPANY			
Columbia Small Cap Index Fund	Mutual Fund	**	\$ 76,342
Columbia Mid Cap Index Fund	Mutual Fund	**	130,084
T. Rowe Price Retirement 2010 Fund	Mutual Fund	**	468,168
T. Rowe Price Retirement 2015 Fund	Mutual Fund	**	55,144
T. Rowe Price Retirement 2020 Fund	Mutual Fund	**	279,343
T. Rowe Price Retirement 2025 Fund	Mutual Fund	**	148,862
T. Rowe Price Retirement 2030 Fund	Mutual Fund	**	1,291,024
T. Rowe Price Retirement 2035 Fund	Mutual Fund	**	51,170
T. Rowe Price Retirement 2040 Fund	Mutual Fund	**	758,029
T. Rowe Price Retirement 2045 Fund	Mutual Fund	**	72,206
T. Rowe Price Retirement 2050 Fund	Mutual Fund	**	494,763
T. Rowe Price Retirement 2055 Fund	Mutual Fund	**	33,572
T. Rowe Price Retirement 2060 Fund	Mutual Fund	**	21,772
Lord Abbett High Yield Fund	Mutual Fund	**	19,900
T. Rowe Price Blue Chip Growth	Mutual Fund	**	997,096
T. Rowe Price QM US Small Cap Growth Fund	Mutual Fund	**	127,514
BlackRock Technical Opportunities Fund	Mutual Fund	**	43,364
Janus Henderson ASP Enterprise Fund	Mutual Fund	**	685,679
Vanguard Equity Income Admiral Fund	Mutual Fund	**	128,713
Vanguard Intermediate Bond Index Fund	Mutual Fund	**	158,811
Vanguard Total International Stock Fund	Mutual Fund	**	181,543
American Century Mid Cap Value Fund	Mutual Fund	**	85,718
Western Asset Core Plus Bond	Mutual Fund	**	55,726
American Funds New Perspective Fund	Mutual Fund	**	213,880
American Funds New World Fund	Mutual Fund	**	75,307
BlackRock Inflation Protected Bond Fund	Mutual Fund	**	16,203
C&S Real Estate Fund	Mutual Fund	**	68,884
Lord Abbett Short Duration Income Fund	Mutual Fund	**	25,698
* Fidelity 500 Index Fund	Mutual Fund	**	833,053
Vanguard Federal Money Market Fund	Money Market Fund	**	964,949
PGIM Global Total Return Fund	Mutual Fund	**	13,659
MFS International Diversification Fund	Mutual Fund	**	53,463
Vanguard Small Cap Value Index Fund	Mutual Fund	**	58,837
* Notes Receivable from Participants	Interest Rate 5.25%-7.50%	**	70,405
Total Investment Assets			\$ 8,758,881

*Indicates party-in-interest

**Cost information is not required for participant-directed investments.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Schedule of Delinquent Participant Contributions – Schedule H – Item 4a

Year Ended December 31, 2021

Employer Identification Number 86-2093877
Plan Number 001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Loan Repayments are included	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
	\$ 13,073	\$ -	\$ -	\$ -

Lutz

**Manhattan Beachwear, LLC 401(k) Plan
(Formerly known as Manhattan Beachwear,
Inc. 401(k) Plan)**

Financial Statements and Independent Auditors' Report

December 31, 2021 and 2020



Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

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Note: Schedules required by the Employee Retirement Income Security Act of 1974 that have not been included herein are not applicable.

INDEPENDENT AUDITORS' REPORT

Plan Committee

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)
Cypress, California

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan) (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after September 20, 2022.

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

Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

Other Matters

2021 Supplementary Information Required by ERISA

The supplementary information as of and for the year ended December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplementary information related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

The financial statements of the Plan as of and for the year ended December 31, 2020 were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report, dated September 1, 2021, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Lutz & Company, P.C.

September 20, 2022

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Statements of Net Assets Available for Benefits

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at Fair Value	\$ 8,688,476	\$ 8,152,239
Receivables		
Notes Receivable from Participants	70,405	93,416
Employer Contributions	3,118	-
Participant Contributions	22,560	-
Total Receivables	96,083	93,416
NET ASSETS AVAILABLE FOR BENEFITS	\$ 8,784,559	\$ 8,245,655

See Notes to Financial Statements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO		
Investment Income		
Net Appreciation in Fair Value of Investments	\$ 714,067	\$ 1,031,370
Interest and Dividends from Investments	405,730	237,650
Total Investment Income	1,119,797	1,269,020
Interest Income on Notes Receivable from Participants	4,603	10,983
Contributions		
Employer	13,905	32,092
Participant	318,524	391,167
Total Contributions	332,429	423,259
Total Additions	1,456,829	1,703,262
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Benefits Paid Directly to Participants	869,799	3,285,430
Administrative Expenses	48,126	61,262
Total Deductions	917,925	3,346,692
NET INCREASE (DECREASE)	538,904	(1,643,430)
Net Assets Available for Benefits, Beginning of Year	8,245,655	9,889,085
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 8,784,559	\$ 8,245,655

See Notes to Financial Statements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

1. Plan Description

The following description of the Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 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 subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was established to provide retirement benefits for eligible employees of Manhattan Beachwear, LLC (formally Manhattan Beachwear, Inc.) (the Company).

Employees are eligible to make salary reduction contributions and receive discretionary matching and profit sharing contributions after attaining age 18 and completing one month of service. Eligible employees become participants on the first day of the month following the date on which entry requirements were met. Employees must have 1,000 hours of service and be employed on the last day of the Plan year to receive discretionary profit sharing contributions.

Contributions

Participants

Participants may make voluntary salary pre-tax and Roth contributions up to 90% of eligible compensation, not to exceed the maximum dollar limits allowable by law. All participants who meet the eligibility requirements are automatically enrolled with an initial 2% pre-tax salary deferral contribution. At any time, a participant can elect not to contribute or may increase or decrease his or her deferral rate as allowed under Plan provisions. Participants who are age 50 or older may make additional catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans. Contributions are subject to certain limitations.

Employer

The Company may make discretionary matching contributions. The Company suspended the discretionary matching contribution from May 1, 2020 to August 7, 2021 in response to the economic uncertainties caused by the COVID-19 Pandemic. The Company's discretionary matching contribution was equal to 25% of elective deferrals up to 4% of eligible compensation for 2021 (after August 7, 2021) and 2020 (before May1, 2020). The Company may also make discretionary profit sharing contributions (none in 2021 or 2020).

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of a) the Company's discretionary matching and profit sharing contributions and b) Plan earnings or losses. The Company's discretionary matching contributions are allocated among participants based upon each eligible participant's elected salary deferral. The Company's discretionary profit sharing contributions are allocated among participants based upon eligible compensation of the participants. Plan earnings or losses are allocated on the basis of actual results of the investments selected by each participant. Investments are maintained in individual member accounts managed by Fidelity Management Trust Company (Fidelity).

Vesting

Participants are vested immediately in their contributions plus earnings thereon. Vesting in employer contributions credited to participants' accounts are based on years of continuous service. Participants are 25% vested after two years of credited service and vesting increases 25% per year until a participant is 100% vested after five years of credited service. Effective August 8, 2021, participants are 50% vested in the Company discretionary matching contributions after one year of credited service and 100% vested after two years of credited service.

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 bear interest at rates which are commensurate with local prevailing rates. The term of the note is limited to five years (ten years if used to purchase a principal residence) and all principal and interest payments must be made through payroll deductions.

Payment of Benefits

Upon termination, retirement, disability, or death, the participant or beneficiary may elect to receive a lump sum equal to the value of the vested funds allocated to the participant's account. The Plan automatically distributes those benefits that are under \$1,000 in the event the participant does not elect a payout option. The Plan requires that distributions between \$1,000 and \$5,000 be directly rolled over to an individual retirement account designated by the plan administrator in the event the participant does not elect a payout option. Benefits are recorded when paid.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

Coronavirus Aid, Relief and Economic Security (CARES) Act Provisions

As a result of the CARES Act, signed on March 27, 2020, the Plan implemented additional provisions that were effective only during the Plan year ended December 31, 2020. The Plan allowed early withdrawals for participants impacted by coronavirus. The 10% IRS tax penalty was waived for up to \$100,000 for early withdrawals by participants directly impacted by coronavirus through December 2020. Participants were also able to borrow from their accounts up to \$100,000 or 100% of their vested account balance through September 2020. Repayments of any new or existing note receivables from participants were eligible to be delayed up to one year.

Forfeitures

Upon a participant's termination of employment before normal retirement, disability, or death, the portion of their employer contributions not then vested shall be forfeited. The forfeited portion of any participant's account may be used to reduce expenses or to reduce future Company contributions. At December 31, 2021 and 2020, forfeited non-vested accounts totaled \$800 and \$236, respectively. During 2021 and 2020, \$1,572 and \$11,005, respectively, of forfeited amounts were used to reduce Company contributions and administrative expenses.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is set forth below.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America.

Presentation of Participant-Directed Funds

The Plan's presentation of participant-directed investments is in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 962, *Plan Accounting – Defined Contribution Pension Plans*.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

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. Delinquent notes are reclassified as distributions based upon the terms of the Plan document.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Other fees specifically incurred by or attributable to individual participants are paid from the applicable participant's account and included in administrative expenses. Investment related expenses are included in net appreciation in fair value of investments.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. 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.

Reclassifications

Certain reclassifications have been made to the 2020 financial statements to conform with the 2021 presentation.

Subsequent Events

Subsequent events are events or transactions that occur after the statement of net assets available for benefits date, but before the financial statements are available to be issued and may require potential recognition or disclosure in the financial statements. Management has considered such events or transactions through September 30, 2022, noting no items requiring disclosure.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

3. Information Certified by Fidelity

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Fidelity, except for comparing such information certified by the custodian to information included in the Plan's financial statements and supplementary information.

The following table presents the value of the participant-directed Plan assets that were certified by Fidelity at December 31:

	<u>2021</u>	<u>2020</u>
Investments at Fair Value	\$ 8,688,476	\$ 8,152,239
Notes Receivable from Participants	\$ 70,405	\$ 93,416

Fidelity also certified to the completeness and accuracy of the following related to the aforementioned Plan assets for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Net Appreciation in Fair Value of Investments	\$ 714,067	\$ 1,031,370
Interest and Dividends from Investments	405,730	237,650
Total Investment Income	\$ 1,119,797	\$ 1,269,020
Interest Income on Notes Receivable from Participants	\$ 4,603	\$ 10,983

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). 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;

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

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

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

The following table presents by level, within the fair value hierarchy, the Plan's investments at fair value at December 31, 2021.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 7,723,527	\$ -	\$ -	\$ 7,723,527
Money Market Fund	964,949	-	-	964,949
Total Investments at Fair Value	<u>\$ 8,688,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,688,476</u>

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

The following table presents by level, within the fair value hierarchy, the Plan's investments at fair value at December 31, 2020.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 7,148,128	\$ -	\$ -	\$ 7,148,128
Money Market Fund	1,004,111	-	-	1,004,111
Total Investments at Fair Value	<u>\$ 8,152,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,152,239</u>

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue their contributions at any time and to terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested. Distribution to participants of the account balances would be made as soon as practicable after the termination date.

6. Partial Plan Termination

In 2020, the Company reduced its workforce, and as a result, determined that a partial plan termination had occurred. Statutes require that all affected participants be fully vested in their account balances, including employer contributions, once a partial plan termination has occurred. Employees who terminate between January 1, 2020 and the later of a) December 31, 2020 or b) 60 days following the federally declared end of the COVID-19 national order, are 100% vested in employer contributions unless a participant terminated on or after August 8, 2021 without at least one hour of service.

7. Tax Status

The Plan is qualified as a profit sharing plan under Section 401(a) of the Internal Revenue Code and is exempt from Federal income taxation under Section 501(a) of the Internal Revenue Code.

The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the financial statements.

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 (or asset) 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 administrator has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2018.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

8. Related Party Transactions

Certain Plan investments are assets managed by Fidelity. Fidelity is the trustee and recordkeeper as defined by the Plan, and therefore these transactions qualify as party-in-interest transactions.

SUPPLEMENTARY INFORMATION

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Schedule of Assets (Held at End of Year) – Schedule H – Item 4i

Year Ended December 31, 2021

Employer Identification Number 86-2093877
Plan Number 001

	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
FIDELITY MANAGEMENT TRUST COMPANY			
Columbia Small Cap Index Fund	Mutual Fund	**	\$ 76,342
Columbia Mid Cap Index Fund	Mutual Fund	**	130,084
T. Rowe Price Retirement 2010 Fund	Mutual Fund	**	468,168
T. Rowe Price Retirement 2015 Fund	Mutual Fund	**	55,144
T. Rowe Price Retirement 2020 Fund	Mutual Fund	**	279,343
T. Rowe Price Retirement 2025 Fund	Mutual Fund	**	148,862
T. Rowe Price Retirement 2030 Fund	Mutual Fund	**	1,291,024
T. Rowe Price Retirement 2035 Fund	Mutual Fund	**	51,170
T. Rowe Price Retirement 2040 Fund	Mutual Fund	**	758,029
T. Rowe Price Retirement 2045 Fund	Mutual Fund	**	72,206
T. Rowe Price Retirement 2050 Fund	Mutual Fund	**	494,763
T. Rowe Price Retirement 2055 Fund	Mutual Fund	**	33,572
T. Rowe Price Retirement 2060 Fund	Mutual Fund	**	21,772
Lord Abbett High Yield Fund	Mutual Fund	**	19,900
T. Rowe Price Blue Chip Growth	Mutual Fund	**	997,096
T. Rowe Price QM US Small Cap Growth Fund	Mutual Fund	**	127,514
BlackRock Technical Opportunities Fund	Mutual Fund	**	43,364
Janus Henderson ASP Enterprise Fund	Mutual Fund	**	685,679
Vanguard Equity Income Admiral Fund	Mutual Fund	**	128,713
Vanguard Intermediate Bond Index Fund	Mutual Fund	**	158,811
Vanguard Total International Stock Fund	Mutual Fund	**	181,543
American Century Mid Cap Value Fund	Mutual Fund	**	85,718
Western Asset Core Plus Bond	Mutual Fund	**	55,726
American Funds New Perspective Fund	Mutual Fund	**	213,880
American Funds New World Fund	Mutual Fund	**	75,307
BlackRock Inflation Protected Bond Fund	Mutual Fund	**	16,203
C&S Real Estate Fund	Mutual Fund	**	68,884
Lord Abbett Short Duration Income Fund	Mutual Fund	**	25,698
* Fidelity 500 Index Fund	Mutual Fund	**	833,053
Vanguard Federal Money Market Fund	Money Market Fund	**	964,949
PGIM Global Total Return Fund	Mutual Fund	**	13,659
MFS International Diversification Fund	Mutual Fund	**	53,463
Vanguard Small Cap Value Index Fund	Mutual Fund	**	58,837
* Notes Receivable from Participants	Interest Rate 5.25%-7.50%	**	70,405
Total Investment Assets			\$ 8,758,881

*Indicates party-in-interest

**Cost information is not required for participant-directed investments.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Schedule of Delinquent Participant Contributions – Schedule H – Item 4a

Year Ended December 31, 2021

Employer Identification Number 86-2093877
Plan Number 001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Loan Repayments are included	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
	\$ 13,073	\$ -	\$ -	\$ -

Lutz

**Manhattan Beachwear, LLC 401(k) Plan
(Formerly known as Manhattan Beachwear,
Inc. 401(k) Plan)**

Financial Statements and Independent Auditors' Report

December 31, 2021 and 2020



Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

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Note: Schedules required by the Employee Retirement Income Security Act of 1974 that have not been included herein are not applicable.

INDEPENDENT AUDITORS' REPORT

Plan Committee

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)
Cypress, California

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan) (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after September 20, 2022.

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

Auditors' Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

Other Matters

2021 Supplementary Information Required by ERISA

The supplementary information as of and for the year ended December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplementary information, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplementary information that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplementary information, we evaluated whether the supplementary information, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplementary information, other than the information in the supplementary information that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplementary information related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

The financial statements of the Plan as of and for the year ended December 31, 2020 were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by a qualified institution. Their report, dated September 1, 2021, indicated that (a) because of the significance of the information that they did not audit, they were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Lutz & Company, P.C.

September 20, 2022

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Statements of Net Assets Available for Benefits

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at Fair Value	\$ 8,688,476	\$ 8,152,239
Receivables		
Notes Receivable from Participants	70,405	93,416
Employer Contributions	3,118	-
Participant Contributions	22,560	-
Total Receivables	96,083	93,416
NET ASSETS AVAILABLE FOR BENEFITS	\$ 8,784,559	\$ 8,245,655

See Notes to Financial Statements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Statements of Changes in Net Assets Available for Benefits

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO		
Investment Income		
Net Appreciation in Fair Value of Investments	\$ 714,067	\$ 1,031,370
Interest and Dividends from Investments	405,730	237,650
Total Investment Income	1,119,797	1,269,020
Interest Income on Notes Receivable from Participants	4,603	10,983
Contributions		
Employer	13,905	32,092
Participant	318,524	391,167
Total Contributions	332,429	423,259
Total Additions	1,456,829	1,703,262
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO		
Benefits Paid Directly to Participants	869,799	3,285,430
Administrative Expenses	48,126	61,262
Total Deductions	917,925	3,346,692
NET INCREASE (DECREASE)	538,904	(1,643,430)
Net Assets Available for Benefits, Beginning of Year	8,245,655	9,889,085
NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR	\$ 8,784,559	\$ 8,245,655

See Notes to Financial Statements.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

1. Plan Description

The following description of the Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 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 subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan was established to provide retirement benefits for eligible employees of Manhattan Beachwear, LLC (formally Manhattan Beachwear, Inc.) (the Company).

Employees are eligible to make salary reduction contributions and receive discretionary matching and profit sharing contributions after attaining age 18 and completing one month of service. Eligible employees become participants on the first day of the month following the date on which entry requirements were met. Employees must have 1,000 hours of service and be employed on the last day of the Plan year to receive discretionary profit sharing contributions.

Contributions

Participants

Participants may make voluntary salary pre-tax and Roth contributions up to 90% of eligible compensation, not to exceed the maximum dollar limits allowable by law. All participants who meet the eligibility requirements are automatically enrolled with an initial 2% pre-tax salary deferral contribution. At any time, a participant can elect not to contribute or may increase or decrease his or her deferral rate as allowed under Plan provisions. Participants who are age 50 or older may make additional catch-up contributions. Participants may also contribute amounts representing distributions from other qualified plans. Contributions are subject to certain limitations.

Employer

The Company may make discretionary matching contributions. The Company suspended the discretionary matching contribution from May 1, 2020 to August 7, 2021 in response to the economic uncertainties caused by the COVID-19 Pandemic. The Company's discretionary matching contribution was equal to 25% of elective deferrals up to 4% of eligible compensation for 2021 (after August 7, 2021) and 2020 (before May1, 2020). The Company may also make discretionary profit sharing contributions (none in 2021 or 2020).

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of a) the Company's discretionary matching and profit sharing contributions and b) Plan earnings or losses. The Company's discretionary matching contributions are allocated among participants based upon each eligible participant's elected salary deferral. The Company's discretionary profit sharing contributions are allocated among participants based upon eligible compensation of the participants. Plan earnings or losses are allocated on the basis of actual results of the investments selected by each participant. Investments are maintained in individual member accounts managed by Fidelity Management Trust Company (Fidelity).

Vesting

Participants are vested immediately in their contributions plus earnings thereon. Vesting in employer contributions credited to participants' accounts are based on years of continuous service. Participants are 25% vested after two years of credited service and vesting increases 25% per year until a participant is 100% vested after five years of credited service. Effective August 8, 2021, participants are 50% vested in the Company discretionary matching contributions after one year of credited service and 100% vested after two years of credited service.

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 bear interest at rates which are commensurate with local prevailing rates. The term of the note is limited to five years (ten years if used to purchase a principal residence) and all principal and interest payments must be made through payroll deductions.

Payment of Benefits

Upon termination, retirement, disability, or death, the participant or beneficiary may elect to receive a lump sum equal to the value of the vested funds allocated to the participant's account. The Plan automatically distributes those benefits that are under \$1,000 in the event the participant does not elect a payout option. The Plan requires that distributions between \$1,000 and \$5,000 be directly rolled over to an individual retirement account designated by the plan administrator in the event the participant does not elect a payout option. Benefits are recorded when paid.

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Notes to Financial Statements

December 31, 2021 and 2020

Coronavirus Aid, Relief and Economic Security (CARES) Act Provisions

As a result of the CARES Act, signed on March 27, 2020, the Plan implemented additional provisions that were effective only during the Plan year ended December 31, 2020. The Plan allowed early withdrawals for participants impacted by coronavirus. The 10% IRS tax penalty was waived for up to \$100,000 for early withdrawals by participants directly impacted by coronavirus through December 2020. Participants were also able to borrow from their accounts up to \$100,000 or 100% of their vested account balance through September 2020. Repayments of any new or existing note receivables from participants were eligible to be delayed up to one year.

Forfeitures

Upon a participant's termination of employment before normal retirement, disability, or death, the portion of their employer contributions not then vested shall be forfeited. The forfeited portion of any participant's account may be used to reduce expenses or to reduce future Company contributions. At December 31, 2021 and 2020, forfeited non-vested accounts totaled \$800 and \$236, respectively. During 2021 and 2020, \$1,572 and \$11,005, respectively, of forfeited amounts were used to reduce Company contributions and administrative expenses.

2. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements is set forth below.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis and in conformity with accounting principles generally accepted in the United States of America.

Presentation of Participant-Directed Funds

The Plan's presentation of participant-directed investments is in accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 962, *Plan Accounting – Defined Contribution Pension Plans*.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

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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. Delinquent notes are reclassified as distributions based upon the terms of the Plan document.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Other fees specifically incurred by or attributable to individual participants are paid from the applicable participant's account and included in administrative expenses. Investment related expenses are included in net appreciation in fair value of investments.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risk. 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.

Reclassifications

Certain reclassifications have been made to the 2020 financial statements to conform with the 2021 presentation.

Subsequent Events

Subsequent events are events or transactions that occur after the statement of net assets available for benefits date, but before the financial statements are available to be issued and may require potential recognition or disclosure in the financial statements. Management has considered such events or transactions through September 30, 2022, noting no items requiring disclosure.

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3. Information Certified by Fidelity

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Fidelity, except for comparing such information certified by the custodian to information included in the Plan's financial statements and supplementary information.

The following table presents the value of the participant-directed Plan assets that were certified by Fidelity at December 31:

	<u>2021</u>	<u>2020</u>
Investments at Fair Value	\$ 8,688,476	\$ 8,152,239
Notes Receivable from Participants	\$ 70,405	\$ 93,416

Fidelity also certified to the completeness and accuracy of the following related to the aforementioned Plan assets for the years ended December 31:

	<u>2021</u>	<u>2020</u>
Net Appreciation in Fair Value of Investments	\$ 714,067	\$ 1,031,370
Interest and Dividends from Investments	405,730	237,650
Total Investment Income	\$ 1,119,797	\$ 1,269,020
Interest Income on Notes Receivable from Participants	\$ 4,603	\$ 10,983

4. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). 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;

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- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

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

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

The following table presents by level, within the fair value hierarchy, the Plan's investments at fair value at December 31, 2021.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 7,723,527	\$ -	\$ -	\$ 7,723,527
Money Market Fund	964,949	-	-	964,949
Total Investments at Fair Value	<u>\$ 8,688,476</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,688,476</u>

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December 31, 2021 and 2020

The following table presents by level, within the fair value hierarchy, the Plan's investments at fair value at December 31, 2020.

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 7,148,128	\$ -	\$ -	\$ 7,148,128
Money Market Fund	1,004,111	-	-	1,004,111
Total Investments at Fair Value	<u>\$ 8,152,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,152,239</u>

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue their contributions at any time and to terminate the Plan at any time subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested. Distribution to participants of the account balances would be made as soon as practicable after the termination date.

6. Partial Plan Termination

In 2020, the Company reduced its workforce, and as a result, determined that a partial plan termination had occurred. Statutes require that all affected participants be fully vested in their account balances, including employer contributions, once a partial plan termination has occurred. Employees who terminate between January 1, 2020 and the later of a) December 31, 2020 or b) 60 days following the federally declared end of the COVID-19 national order, are 100% vested in employer contributions unless a participant terminated on or after August 8, 2021 without at least one hour of service.

7. Tax Status

The Plan is qualified as a profit sharing plan under Section 401(a) of the Internal Revenue Code and is exempt from Federal income taxation under Section 501(a) of the Internal Revenue Code.

The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the financial statements.

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 (or asset) 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 administrator has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2018.

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Notes to Financial Statements

December 31, 2021 and 2020

8. Related Party Transactions

Certain Plan investments are assets managed by Fidelity. Fidelity is the trustee and recordkeeper as defined by the Plan, and therefore these transactions qualify as party-in-interest transactions.

SUPPLEMENTARY INFORMATION

Manhattan Beachwear, LLC 401(k) Plan (Formerly known as Manhattan Beachwear, Inc. 401(k) Plan)

Schedule of Assets (Held at End of Year) – Schedule H – Item 4i

Year Ended December 31, 2021

Employer Identification Number 86-2093877
Plan Number 001

	<u>Description of Investment</u>	<u>Cost</u>	<u>Current Value</u>
FIDELITY MANAGEMENT TRUST COMPANY			
Columbia Small Cap Index Fund	Mutual Fund	**	\$ 76,342
Columbia Mid Cap Index Fund	Mutual Fund	**	130,084
T. Rowe Price Retirement 2010 Fund	Mutual Fund	**	468,168
T. Rowe Price Retirement 2015 Fund	Mutual Fund	**	55,144
T. Rowe Price Retirement 2020 Fund	Mutual Fund	**	279,343
T. Rowe Price Retirement 2025 Fund	Mutual Fund	**	148,862
T. Rowe Price Retirement 2030 Fund	Mutual Fund	**	1,291,024
T. Rowe Price Retirement 2035 Fund	Mutual Fund	**	51,170
T. Rowe Price Retirement 2040 Fund	Mutual Fund	**	758,029
T. Rowe Price Retirement 2045 Fund	Mutual Fund	**	72,206
T. Rowe Price Retirement 2050 Fund	Mutual Fund	**	494,763
T. Rowe Price Retirement 2055 Fund	Mutual Fund	**	33,572
T. Rowe Price Retirement 2060 Fund	Mutual Fund	**	21,772
Lord Abbett High Yield Fund	Mutual Fund	**	19,900
T. Rowe Price Blue Chip Growth	Mutual Fund	**	997,096
T. Rowe Price QM US Small Cap Growth Fund	Mutual Fund	**	127,514
BlackRock Technical Opportunities Fund	Mutual Fund	**	43,364
Janus Henderson ASP Enterprise Fund	Mutual Fund	**	685,679
Vanguard Equity Income Admiral Fund	Mutual Fund	**	128,713
Vanguard Intermediate Bond Index Fund	Mutual Fund	**	158,811
Vanguard Total International Stock Fund	Mutual Fund	**	181,543
American Century Mid Cap Value Fund	Mutual Fund	**	85,718
Western Asset Core Plus Bond	Mutual Fund	**	55,726
American Funds New Perspective Fund	Mutual Fund	**	213,880
American Funds New World Fund	Mutual Fund	**	75,307
BlackRock Inflation Protected Bond Fund	Mutual Fund	**	16,203
C&S Real Estate Fund	Mutual Fund	**	68,884
Lord Abbett Short Duration Income Fund	Mutual Fund	**	25,698
* Fidelity 500 Index Fund	Mutual Fund	**	833,053
Vanguard Federal Money Market Fund	Money Market Fund	**	964,949
PGIM Global Total Return Fund	Mutual Fund	**	13,659
MFS International Diversification Fund	Mutual Fund	**	53,463
Vanguard Small Cap Value Index Fund	Mutual Fund	**	58,837
* Notes Receivable from Participants	Interest Rate 5.25%-7.50%	**	70,405
Total Investment Assets			\$ 8,758,881

*Indicates party-in-interest

**Cost information is not required for participant-directed investments.

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Schedule of Delinquent Participant Contributions – Schedule H – Item 4a

Year Ended December 31, 2021

Employer Identification Number 86-2093877
Plan Number 001

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Loan Repayments are included	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
	\$ 13,073	\$ -	\$ -	\$ -

Lutz