

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>MAROTTA CONTROLS, INC. EMPLOYEES 401K 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>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1990</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>003</u>	1c Effective date of plan <u>01/01/1990</u>	
1b Three-digit plan number (PN) ▶	<u>003</u>				
1c Effective date of plan <u>01/01/1990</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>MAROTTA CONTROLS, INC.</u> <u>PO BOX 427</u> <u>78 BOONTON AVENUE</u> <u>MONTVILLE, NJ 07045</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>22-1528122</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>973-334-7800</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>22-1528122</u>	2c Plan Sponsor's telephone number <u>973-334-7800</u>	2d Business code (see instructions) <u>332900</u>	
2b Employer Identification Number (EIN) <u>22-1528122</u>					
2c Plan Sponsor's telephone number <u>973-334-7800</u>					
2d Business code (see instructions) <u>332900</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.	10/05/2022	CHANDRA RAMNARINE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/05/2022	CHANDRA RAMNARINE
	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.

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 471
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 369 6a(2) 433 6b 9 6c 99 6d 541 6e 0 6f 541 6g 541 6h 541
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2G 2J 2F 2T 3D 2S 2R 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) ☒ <u>1</u> 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 A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 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 MAROTTA CONTROLS, INC. EMPLOYEES 401K PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 MAROTTA CONTROLS, INC.	D Employer Identification Number (EIN) 22-1528122

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

(a) Name of insurance carrier
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
22-1211670	68241	006377	541	01/01/2021	12/31/2021

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end	4	18078329
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	4504551

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☒ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year	7b	17548296
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c	Additions: (1) Contributions deposited during the year	7c(1)	1127135	
	(2) Dividends and credits.....	7c(2)		
	(3) Interest credited during the year.....	7c(3)	526242	
	(4) Transferred from separate account.....	7c(4)	62956	
	(5) Other (specify below).....	7c(5)	1371449	

▶ LOAN REPAYMENTS TRANSFERS IN FORFEITURE CREDITS

(6) Total additions	7c(6)	3087782
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d	Total of balance and additions (add lines 7b and 7c(6))	7d	20636078
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e	Deductions:			
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1639103	
	(2) Administration charge made by carrier.....	7e(2)	351	
	(3) Transferred to separate account.....	7e(3)	4397	
	(4) Other (specify below).....	7e(4)	913898	

▶ LOAN INITIATIONS, TRANSFERS OUT MISCELLANEOUS OUT FORFEITURES DEBITS

(5) Total deductions	7e(5)	2557749
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f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	18078329
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 MAROTTA CONTROLS, INC. EMPLOYEES 401K PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 MAROTTA CONTROLS, INC.	D Employer Identification Number (EIN) 22-1528122	

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
THE PRUDENTIAL INSURANCE COMPANY OF
22-1211670

(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)

THE PRUDENTIAL INSURANCE COMPANY OF

22-1211670

(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?
13 15 37 50 64	NONE	72998	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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

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

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
PRUDENTIAL INSURANCE COMPANY OF AME	15 60 64	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.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	27.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2021 TO 12/31/2021 PGIM BALANCED Z	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
PRUDENTIAL INSURANCE COMPANY OF AME	15 60 64	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.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	27.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2021 TO 12/31/2021 PGIM GOVERNMENT INCOME Z	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
PRUDENTIAL INSURANCE COMPANY OF AME	15 60 64	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.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	27.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2021 TO 12/31/2021 PGIM JENNISON GRO Z	

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
PRUDENTIAL INSURANCE COMPANY OF AME	15 60 64	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.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2021 TO 12/31/2021 PGIMQNTSOL INTL EQ Z	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan 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.
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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>MAROTTA CONTROLS, INC. EMPLOYEES 401K PLAN</u>	B Three-digit plan number (PN)	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>MAROTTA CONTROLS, INC.</u>	D Employer Identification Number (EIN) <u>22-1528122</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)
(Complete as many entries as needed to report all interests in DFEs)	

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE IFX TRGT BAL</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-697</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>137353</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE 2060 FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-803</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>60658</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE 2015 FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-678</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE 2020 FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-679</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>16043</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE 2025 FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-680</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE 2030 FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-681</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>143417</u>		
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU DAY ONE 2035 FUND</u>				
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>				
c EIN-PN <u>06-1050034-682</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>116249</u>		

a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE 2040 FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-683	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 30432
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE 2045 FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-684	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 653
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE 2050 FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-685	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 31283
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE 2055 FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-686	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1630
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE INCOME FUND

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-698	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: COLUMBIA DIVIDEND VAL ISP

b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.

c EIN-PN 06-1050034-785	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3966833
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

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 <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>MAROTTA CONTROLS, INC. EMPLOYEES 401K PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>MAROTTA CONTROLS, INC.</u>	D Employer Identification Number (EIN) <u>22-1528122</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	381631	530692
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	308774	4504551
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	41021168	44003806
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	17548296	18078329
(15) Other.....	1c(15)	588333	749426

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	59848202 67866804
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	59848202 67866804

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
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	1056890
	(B) Participants	2a(1)(B)	3941768
	(C) Others (including rollovers).....	2a(1)(C)	458631
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	5457289
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	18877
	(F) Other	2b(1)(F)	526242
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	545119
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	487047
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	487047
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		424088
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		5606952
c Other income.....	2c		151985
d Total income. Add all income amounts in column (b) and enter total.....	2d		12672480
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	4579683	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		4579683
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	74195	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		74195
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4653878
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		8018602
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☒ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

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

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

(1) Name: CLYNE, EAGAN & ASSOCIATES

(2) EIN: 22-2706394

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	

	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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	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.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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 MAROTTA CONTROLS, INC. EMPLOYEES 401K PLAN	B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 MAROTTA CONTROLS, INC.	D Employer Identification Number (EIN) 22-1528122

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

1	Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
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): 22-1211670		
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.)
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4	Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.				
5	If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6	a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
	b Enter the amount contributed by the employer to the plan for this plan year	6b		
	c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.				
7	Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8	If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9	If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10	Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11	a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
	b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12	Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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 _____

**MAROTTA CONTROLS, INC.
EMPLOYEES 401(k) PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2021 AND 2020**

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

**Financial Statements
and Supplemental Information**

December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Marotta Controls, Inc. Employees 401(k) Plan:

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

We have performed an audit of the accompanying financial statements of Marotta Controls, Inc. Employees 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). 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 2021 financial statement.

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

Management has obtained certifications from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 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 Auditor's Responsibilities for the Audit of the 2021 Financial Statements section—

- the amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

- 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. Our responsibilities under those standards are further described in the Auditor's 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 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 accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedules, Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Schedule H, Line 4j - Schedule of Reportable Transactions, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution 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

We were engaged to audit the 2020 financial statements of Marotta Controls, Inc. Employees 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 20, 2021, we indicated that (a) because of the significance of the information we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



CLYNE EAGAN & ASSOCIATES, P.A.

September 26, 2022
Cedar Knolls, New Jersey

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
ASSETS	<u>2021</u>	<u>2020</u>
Investments:		
Self-directed brokerage accounts, at fair value	\$ 749,426	\$ 588,332
Mutual funds, at fair value	44,003,808	41,021,167
Pooled separate accounts, at fair value	4,504,549	308,775
Guaranteed investment contract, at contract value	18,078,329	17,548,296
Total investments	<u>67,336,112</u>	<u>59,466,570</u>
Receivables:		
Notes receivable from participants	530,692	381,631
Employer contributions	74,484	66,073
Total receivables	<u>605,176</u>	<u>447,704</u>
Total assets	67,941,288	59,914,274
Total liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>\$ 67,941,288</u>	<u>\$ 59,914,274</u>

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For the Year Ended December 31,	
	2021	2020
Additions to net assets:		
Investment income:		
Interest and dividends	\$ 1,013,289	\$ 866,582
Net appreciation in fair market value of investments	6,182,134	8,053,386
	<u>7,195,423</u>	<u>8,919,968</u>
Interest income on notes receivable from participants	18,877	22,648
Participant contributions	3,941,768	3,274,408
Employer contributions	1,065,301	982,480
Rollover contributions	458,631	397,264
Total additions	<u>12,680,000</u>	<u>13,596,768</u>
Deductions from net assets:		
Benefit payments	4,579,672	2,471,156
Administrative and investment expenses	73,314	30,019
Total deductions	<u>4,652,986</u>	<u>2,501,175</u>
Increase in net assets	8,027,014	11,095,593
Net assets available for benefits, beginning of year	<u>59,914,274</u>	<u>48,818,681</u>
Net assets available for benefits, end of year	<u>\$ 67,941,288</u>	<u>\$ 59,914,274</u>

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1- Description of Plan

The following description of the Marotta Controls, Inc. Employees 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more comprehensive description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of Marotta Controls, Inc. who are age eighteen or older and who have two months of service, as defined. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

Participants may elect to contribute up to a maximum of fifty (50%) percent of their annual compensation, as defined in the Plan. For each calendar year, elective deferrals may not exceed a specific dollar amount determined by Internal Revenue Service ("IRS") guidelines (maximum of \$19,500 for the year ended 2021 and \$19,000 for the year ended 2020). Additionally, participants aged fifty or older are permitted to make annual "catch-up" contributions to the Plan up to a maximum of \$6,500 and \$6,000 for each of the years ended December 31, 2021 and 2020, respectively. Catch-up contributions are made in addition to standard elective deferrals. Participants may also make rollover contributions representing distributions from other qualified retirement plans.

The Plan offers two types of elective deferrals; pre-tax deferrals, which defer income taxes payable by participants on the amounts contributed to the Plan, and Roth deferrals, for which participant contributions to the Plan are subject to income taxes in the year of deferral, but not at the time of distributions from the Plan (along with related earnings). The Plan provides for automatic deferrals of six percent (6%) for new participants, when no other election is made.

The Plan provides for employer matching contributions equal to fifty percent (50%) of the initial six percent (6%) of employee elective salary deferrals, exclusive of catch-up contributions. Employer matching contributions for the years ended December 31, 2021 and 2020 amounted to \$1,065,301 and \$982,480, respectively (net of re-allocated forfeitures). Matching contributions due the Plan at December 31, 2021 and 2020 amounted to \$74,484 and \$66,073, respectively.

The Plan also provides for discretionary employer contributions, with amounts limited under a formula provided for in the Plan's Adoption Agreement, and further limited to the amount allowable as a deduction for federal income tax purposes, under the applicable provisions of the Internal Revenue Code. There were no discretionary contributions declared for either of the years ended December 31, 2021 or 2020.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Description of Plan (continued)

Contributions (continued)

Participants who do not have at least 1,000 hours of service during such plan year are generally not eligible for an allocation of Company contributions for such year.

Participant Accounts

Each participant's account is credited with (a) the participant's contributions, (b) the participant's share of the employer contributions, if any, (c) an allocation of earnings, and (d) an allocation of forfeitures of terminated participant's non-vested accounts. Allocations are based on participant account balances or eligible compensation, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in employer contributions, plus actual earnings thereon, is based on years of continuous service. A participant is one hundred percent (100%) vested after five years of credited service.

Notes Receivable from Participants

Active participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or fifty percent (50%) of their account balance. Loan terms range from one to five years or up to twenty-five years for the purchase of a primary residence, and are secured by the balance in the participant's account. Participant loans bear interest at the "bank prime rate", as reported by the U.S. Federal Reserve, plus one percent (1%), at the inception of the loan, with principal and interest payable in equal installments over the loan term. A participant can only maintain one outstanding loan from the Plan at any point in time.

Investment Options

Participants direct the investment of their account balances into one or more investment options available, and may change their investment options at their discretion.

Payment of Benefits

On termination of service, a participant may elect to receive the value of the participant's vested interest in his or her account in a lump-sum amount, in periodic

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Description of Plan (continued)

installments or via an annuity. The Plan also provides for in-service distributions for Participant's that have attained age 59 1/2 (subject to vesting provisions), and also provides for distribution of rollover accounts at any time. Benefit payments are recorded when paid.

Net Assets Available for Benefits

Net assets available for benefits at December 31, 2021 and 2020 include \$13,862,347 and \$12,583,052 allocated to the accounts of terminated participants.

Forfeited Accounts

Forfeitures representing the non-vested portion of terminated participant account balances are reallocated among eligible participants during the plan year in which the separated participant has incurred a six year break in service, as defined. Forfeitures of discretionary contributions are allocated in addition to, and in the same manner as, employer discretionary contributions. During the years ended December 31, 2021 and 2020, there were no forfeitures applied to employer matching contributions otherwise due the Plan from employer.

Net assets available for benefits at December 31, 2021 and 2020 include \$96,611.76 and \$108,748 respectively, of unallocated forfeitures.

NOTE 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. The Plan prepares and files Form 5500 on the cash basis of accounting, and accordingly, does not include employee or employer contributions receivable.

Valuation of Investments and Income Recognition

The Plan's investments are stated at fair value (except the fully benefit-responsive investment contract, which is reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, establishes a 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 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 below:

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

Level 2 – Inputs to the valuation methodology include:

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

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

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

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

The Plan's assets are invested in marketable securities, mutual funds, common collective trust funds, pooled separate accounts and an investment in an insurance contract.

Self-directed accounts: These investments consist primarily of marketable securities traded in active markets, and are valued at the closing prices reported on the active market in which the individual securities are traded.

Mutual funds: Valued at the NAV of shares held by the plan at year end.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Pooled Separate Accounts: The units of pooled separate accounts are stated at fair value as determined by the issuer of the account based on the fair value of the underlying investments. Individual participant accounts invested in the pooled separate accounts are maintained on a unit value basis. Pooled separate accounts are categorized as Level 2 assets, as they are valued using third party pricing services. These services may utilize, for example, model-based pricing methods that use observable market data as inputs. Broker dealer bids or quotes of securities with similar characteristics may also be used.

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 tables below set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020.

<u>Assets at Fair Value as of December 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage	\$ 749,426	\$ -	\$ -	\$ 749,426
Mutual funds	44,003,808	-	-	44,003,807
Pooled Separate Accounts	-	4,504,549	-	4,504,549
	<u>\$44,753,234</u>	<u>\$4,504,549</u>	<u>\$ -</u>	<u>\$49,257,783</u>

<u>Assets at Fair Value as of December 31, 2020</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage	\$ 588,332	\$ -	\$ -	\$ 588,332
Mutual funds	41,021,167	-	-	41,021,167
Pooled Separate Accounts	-	308,775	-	308,775
	<u>\$41,609,499</u>	<u>\$ 308,755</u>	<u>\$ -</u>	<u>\$59,466,570</u>

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Administrative Expenses

Certain administrative expenses of the Plan are paid by the Company and are not reflected on these financial statements.

NOTE 3- Information Prepared and Certified by Prudential Bank & Trust, F.S.B.

The following information included in the accompanying financial statements and supplemental schedule of assets held at the end of the years ended December 31, 2021 and 2020 was obtained from data that has been prepared and certified to be complete and accurate by Prudential Bank & Trust, F.S.B., the trustee, as of and for the years ended December 31, 2021 and 2020.

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Investments, at fair value	\$ 49,257,783	\$ 41,918,274
Investments, at contract value	18,078,329	17,548,296
Interest and dividends	1,032,166	889,230
Net appreciation (depreciation) in fair value of investments	6,182,134	8,053,386

NOTE 4 - Investment Contract with Insurance Company

The Plan is party to a fully benefit-responsive investment contract with Prudential Insurance Company of America ("Prudential"). Prudential maintains the contributions in a general account which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Contract value, as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses, and is equal to fair value. Participants may withdraw

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - Investment Contract with Insurance Company (continued)

all or a portion of their investment balance without any fees or restrictions for “benefit responsive events” such as termination of employment, retirement, disability or death at contract value.

The fair value of the investment contract at December 31, 2021 and 2020 was \$18,078,329 and \$17,548,296, respectively, which is equal to the contract value. The average yield and crediting interest rate approximated three percent (3%) for 2021 and 2020. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer, but may not be less than three percent (3%). Such interest rates are reviewed on a quarterly basis for resetting.

Certain events may limit the Plan's ability to transact with Prudential at contract value paid within 90 days. Such events include plan sponsor initiated complete or partial termination of the contract, bankruptcy of the plan sponsor, or other plan sponsor events that cause a significant withdrawal from the plan. The Plan administrator believes the occurrence of such events that would limit the Plan's ability to transact at contract value within 90 days with Plan participants is not probable. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

NOTE 5 - Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. No allowance for credit losses has been recorded as of December 31, 2021 or 2020.

If a participant ceases to make loan repayments and the plan administrator deems the default to be a distribution, the participant loan balance is reduced and a benefit payment is recorded. Deemed distributions from defaulted loans amounted to \$6,540 and \$29,375 during the years ended December 31, 2021 and 2020, respectively, and are included in benefit payment expense.

NOTE 6 - Tax Status

The Plan has on file an opinion letter from the Internal Revenue Service stating that the written form of the underlying prototype plan document is qualified under Section 401(a) of the Internal Revenue Code (the “Code”), and that any employer

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - Tax Status (continued)

adopting this form of the Plan will be considered to have a plan qualified under Section 401(a) of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

NOTE 7 - Plan Termination

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

NOTE 8 - Related Party Transactions

Certain plan investments are shares in mutual funds, pooled separated accounts, and in a guaranteed investment contract managed by Prudential. Prudential is the trustee, as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions.

NOTE 9 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to Form 5500:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Net assets available for benefits per financial statements	\$ 67,941,288	\$ 59,914,274
Less: Contributions receivable	<u>(74,484)</u>	<u>(66,073)</u>
Net assets available for benefits per Form 5500	\$ <u>67,866,804</u>	\$ <u>59,848,201</u>

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to Form 5500:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Increase in net assets available for benefits per financial statements	\$ 8,027,014	\$ 11,095,593
Adjustment for change in contributions receivable	<u>(8,411)</u>	<u>(18,704)</u>
Increase (decrease) in net assets available for benefits per Form 5500	<u>\$ 8,018,603</u>	<u>\$ 11,076,889</u>

The Plan files Form 5500 on the cash basis of accounting, and accordingly, does not include values for receivables or accrued expenses.

NOTE 10 - Risks and Uncertainties

The Plan utilizes various investment instruments, including common stock, mutual funds, pooled separate accounts and a Guaranteed Investment Contract. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

NOTE 11 - Subsequent Events

The Plan has evaluated subsequent events through September 26, 2022 which is the date the financial statements were available to be issued.

MAROTTA CONTROLS, INC. EMPLOYEES 401(K) PLAN
SUPPLEMENTAL SCHEDULE
PLAN 003 (EIN: 22-1528122)
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par of Maturity Value	(d) Cost	(e) Current Value
*	Prudential Guaranteed Interest Account	Investment Contract		18,078,329
*	Prudential Day One IFX Target Bal Fund	Pooled Separate Account		137,353
*	Prudential Day One 2020 Fund	Pooled Separate Account		16,042
*	Prudential Day One 2030 Fund	Pooled Separate Account		143,417
*	Prudential Day One 2035 Fund	Pooled Separate Account		116,249
*	Prudential Day One 2040 Fund	Pooled Separate Account		30,432
*	Prudential Day One 2045 Fund	Pooled Separate Account		653
*	Prudential Day One 2050 Fund	Pooled Separate Account		31,282
*	Prudential Day One 2055 Fund	Pooled Separate Account		1,630
*	Prudential Day One 2060 Fund	Pooled Separate Account		60,658
*	Columbia Dividend Val ISP	Pooled Separate Account		3,966,833
	Pgim Qma Intl Equity R6 Fund	Mutual Fund		471,479
	Vanguard Small-Cap Growth Fund	Mutual Fund		1,498,217
	Franklin Small-Mid Cap Growth Fund	Mutual Fund		3,687,594
	Franklin Utilities A1 Fund	Mutual Fund		396,613
	Pgim Government Income R6 Fund	Mutual Fund		5,771,507
	Pgim Balanced R6 Fund	Mutual Fund		2,048,086
	Vanguard 500 Index Admiral Fund	Mutual Fund		5,594,605
	Victory Syca Established CL R6 Fund	Mutual Fund		3,358,712
	Pgim Jennison Growth Fund	Mutual Fund		11,050,152
	T Rowe Price Small Cap Value Adv Fund	Mutual Fund		158,174
	American Funds European GRR5 Fund	Mutual Fund		6,137,593
	Vanguard Total Stock Admiral Fund	Mutual Fund		490,471
	Vanguard Midcap Index Fund	Mutual Fund		1,743,715
	Pimco Total Return Bond Admin Fund	Mutual Fund		218,491
	Oakmark EQ&Inc Investors Fund	Mutual Fund		1,378,398
	Self-Directed Brokerage Account	Various		749,426
*	Participant Loans	Interest rates ranging from 4.25% to 6.50%		530,692
* Party-in-interest (d) Not Required				

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(K) PLAN
SUPPLEMENTAL SCHEDULE
PLAN 001 (EIN: 22-1528122)
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2021

<u>(a) Identity of Party Involved</u>	<u>(b) Description of Asset</u>	<u>(c) Purchase Price</u>	<u>(d) Selling Price</u>	<u>(g) Cost of Asset</u>	<u>(h) Current Value on Trans. Date</u>	<u>(i) Net Gain or Loss</u>
<u>Category (I): Individual Transactions In Excess of 5% of Plan Assets</u>						
Prudential Investments	Columbia Dividend VAL ISP	\$ 3,911,069		\$ 3,911,069	\$ 3,911,069	
Prudential Investments	Invesco Comstock R6		\$ 3,915,765	\$ 2,266,364	\$ 3,915,765	\$ 1,649,401
<u>Category (II): Series of Non-Securities Transactions in Excess of 5% of Plan Assets</u>						
	Series Totals:	\$ 2,420	\$ 12,225,582			
<u>Category (III): Series of Securities Transactions in Excess of 5% of Plan Assets</u>						
Prudential Investments	Columbia Dividend VAL ISP	\$ 4,236,526		\$ 4,236,526	\$ 4,236,526	
	Total # Trans= 27					
Prudential Investments	Invesco Comstock R6		\$ 4,414,550	\$ 2,569,364	\$ 4,414,550	\$ 1,845,186
<u>Category (IV): Securities Transactions Related to Individual Transactions in Excess of 5% of Plan Assets</u>						
***** None of the securities transactions exceeded the threshold amounts *****						

**MAROTTA CONTROLS, INC.
EMPLOYEES 401(k) PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2021 AND 2020**

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

**Financial Statements
and Supplemental Information**

December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Marotta Controls, Inc. Employees 401(k) Plan:

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

We have performed an audit of the accompanying financial statements of Marotta Controls, Inc. Employees 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). 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 2021 financial statement.

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

Management has obtained certifications from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 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 Auditor's Responsibilities for the Audit of the 2021 Financial Statements section—

- the amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

- 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. Our responsibilities under those standards are further described in the Auditor's 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 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 accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedules, Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Schedule H, Line 4j - Schedule of Reportable Transactions, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution 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

We were engaged to audit the 2020 financial statements of Marotta Controls, Inc. Employees 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 20, 2021, we indicated that (a) because of the significance of the information we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



CLYNE EAGAN & ASSOCIATES, P.A.

September 26, 2022
Cedar Knolls, New Jersey

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2021	2020
ASSETS		
Investments:		
Self-directed brokerage accounts, at fair value	\$ 749,426	\$ 588,332
Mutual funds, at fair value	44,003,808	41,021,167
Pooled separate accounts, at fair value	4,504,549	308,775
Guaranteed investment contract, at contract value	18,078,329	17,548,296
Total investments	<u>67,336,112</u>	<u>59,466,570</u>
Receivables:		
Notes receivable from participants	530,692	381,631
Employer contributions	74,484	66,073
Total receivables	<u>605,176</u>	<u>447,704</u>
Total assets	67,941,288	59,914,274
Total liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>\$ 67,941,288</u>	<u>\$ 59,914,274</u>

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For the Year Ended December 31,	
	2021	2020
Additions to net assets:		
Investment income:		
Interest and dividends	\$ 1,013,289	\$ 866,582
Net appreciation in fair market value of investments	6,182,134	8,053,386
	<u>7,195,423</u>	<u>8,919,968</u>
Interest income on notes receivable from participants	18,877	22,648
Participant contributions	3,941,768	3,274,408
Employer contributions	1,065,301	982,480
Rollover contributions	458,631	397,264
Total additions	<u>12,680,000</u>	<u>13,596,768</u>
Deductions from net assets:		
Benefit payments	4,579,672	2,471,156
Administrative and investment expenses	73,314	30,019
Total deductions	<u>4,652,986</u>	<u>2,501,175</u>
Increase in net assets	8,027,014	11,095,593
Net assets available for benefits, beginning of year	<u>59,914,274</u>	<u>48,818,681</u>
Net assets available for benefits, end of year	<u>\$ 67,941,288</u>	<u>\$ 59,914,274</u>

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1- Description of Plan

The following description of the Marotta Controls, Inc. Employees 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more comprehensive description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of Marotta Controls, Inc. who are age eighteen or older and who have two months of service, as defined. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

Participants may elect to contribute up to a maximum of fifty (50%) percent of their annual compensation, as defined in the Plan. For each calendar year, elective deferrals may not exceed a specific dollar amount determined by Internal Revenue Service ("IRS") guidelines (maximum of \$19,500 for the year ended 2021 and \$19,000 for the year ended 2020). Additionally, participants aged fifty or older are permitted to make annual "catch-up" contributions to the Plan up to a maximum of \$6,500 and \$6,000 for each of the years ended December 31, 2021 and 2020, respectively. Catch-up contributions are made in addition to standard elective deferrals. Participants may also make rollover contributions representing distributions from other qualified retirement plans.

The Plan offers two types of elective deferrals; pre-tax deferrals, which defer income taxes payable by participants on the amounts contributed to the Plan, and Roth deferrals, for which participant contributions to the Plan are subject to income taxes in the year of deferral, but not at the time of distributions from the Plan (along with related earnings). The Plan provides for automatic deferrals of six percent (6%) for new participants, when no other election is made.

The Plan provides for employer matching contributions equal to fifty percent (50%) of the initial six percent (6%) of employee elective salary deferrals, exclusive of catch-up contributions. Employer matching contributions for the years ended December 31, 2021 and 2020 amounted to \$1,065,301 and \$982,480, respectively (net of re-allocated forfeitures). Matching contributions due the Plan at December 31, 2021 and 2020 amounted to \$74,484 and \$66,073, respectively.

The Plan also provides for discretionary employer contributions, with amounts limited under a formula provided for in the Plan's Adoption Agreement, and further limited to the amount allowable as a deduction for federal income tax purposes, under the applicable provisions of the Internal Revenue Code. There were no discretionary contributions declared for either of the years ended December 31, 2021 or 2020.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Description of Plan (continued)

Contributions (continued)

Participants who do not have at least 1,000 hours of service during such plan year are generally not eligible for an allocation of Company contributions for such year.

Participant Accounts

Each participant's account is credited with (a) the participant's contributions, (b) the participant's share of the employer contributions, if any, (c) an allocation of earnings, and (d) an allocation of forfeitures of terminated participant's non-vested accounts. Allocations are based on participant account balances or eligible compensation, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in employer contributions, plus actual earnings thereon, is based on years of continuous service. A participant is one hundred percent (100%) vested after five years of credited service.

Notes Receivable from Participants

Active participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or fifty percent (50%) of their account balance. Loan terms range from one to five years or up to twenty-five years for the purchase of a primary residence, and are secured by the balance in the participant's account. Participant loans bear interest at the "bank prime rate", as reported by the U.S. Federal Reserve, plus one percent (1%), at the inception of the loan, with principal and interest payable in equal installments over the loan term. A participant can only maintain one outstanding loan from the Plan at any point in time.

Investment Options

Participants direct the investment of their account balances into one or more investment options available, and may change their investment options at their discretion.

Payment of Benefits

On termination of service, a participant may elect to receive the value of the participant's vested interest in his or her account in a lump-sum amount, in periodic

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Description of Plan (continued)

installments or via an annuity. The Plan also provides for in-service distributions for Participant's that have attained age 59 1/2 (subject to vesting provisions), and also provides for distribution of rollover accounts at any time. Benefit payments are recorded when paid.

Net Assets Available for Benefits

Net assets available for benefits at December 31, 2021 and 2020 include \$13,862,347 and \$12,583,052 allocated to the accounts of terminated participants.

Forfeited Accounts

Forfeitures representing the non-vested portion of terminated participant account balances are reallocated among eligible participants during the plan year in which the separated participant has incurred a six year break in service, as defined. Forfeitures of discretionary contributions are allocated in addition to, and in the same manner as, employer discretionary contributions. During the years ended December 31, 2021 and 2020, there were no forfeitures applied to employer matching contributions otherwise due the Plan from employer.

Net assets available for benefits at December 31, 2021 and 2020 include \$96,611.76 and \$108,748 respectively, of unallocated forfeitures.

NOTE 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. The Plan prepares and files Form 5500 on the cash basis of accounting, and accordingly, does not include employee or employer contributions receivable.

Valuation of Investments and Income Recognition

The Plan's investments are stated at fair value (except the fully benefit-responsive investment contract, which is reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, establishes a 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 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 below:

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

Level 2 – Inputs to the valuation methodology include:

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

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

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

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

The Plan's assets are invested in marketable securities, mutual funds, common collective trust funds, pooled separate accounts and an investment in an insurance contract.

Self-directed accounts: These investments consist primarily of marketable securities traded in active markets, and are valued at the closing prices reported on the active market in which the individual securities are traded.

Mutual funds: Valued at the NAV of shares held by the plan at year end.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Pooled Separate Accounts: The units of pooled separate accounts are stated at fair value as determined by the issuer of the account based on the fair value of the underlying investments. Individual participant accounts invested in the pooled separate accounts are maintained on a unit value basis. Pooled separate accounts are categorized as Level 2 assets, as they are valued using third party pricing services. These services may utilize, for example, model-based pricing methods that use observable market data as inputs. Broker dealer bids or quotes of securities with similar characteristics may also be used.

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 tables below set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020.

<u>Assets at Fair Value as of December 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage	\$ 749,426	\$ -	\$ -	\$ 749,426
Mutual funds	44,003,808	-	-	44,003,807
Pooled Separate Accounts	-	4,504,549	-	4,504,549
	<u>\$44,753,234</u>	<u>\$4,504,549</u>	<u>\$ -</u>	<u>\$49,257,783</u>

<u>Assets at Fair Value as of December 31, 2020</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage	\$ 588,332	\$ -	\$ -	\$ 588,332
Mutual funds	41,021,167	-	-	41,021,167
Pooled Separate Accounts	-	308,775	-	308,775
	<u>\$41,609,499</u>	<u>\$ 308,755</u>	<u>\$ -</u>	<u>\$59,466,570</u>

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Administrative Expenses

Certain administrative expenses of the Plan are paid by the Company and are not reflected on these financial statements.

NOTE 3- Information Prepared and Certified by Prudential Bank & Trust, F.S.B.

The following information included in the accompanying financial statements and supplemental schedule of assets held at the end of the years ended December 31, 2021 and 2020 was obtained from data that has been prepared and certified to be complete and accurate by Prudential Bank & Trust, F.S.B., the trustee, as of and for the years ended December 31, 2021 and 2020.

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Investments, at fair value	\$ 49,257,783	\$ 41,918,274
Investments, at contract value	18,078,329	17,548,296
Interest and dividends	1,032,166	889,230
Net appreciation (depreciation) in fair value of investments	6,182,134	8,053,386

NOTE 4 - Investment Contract with Insurance Company

The Plan is party to a fully benefit-responsive investment contract with Prudential Insurance Company of America ("Prudential"). Prudential maintains the contributions in a general account which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Contract value, as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses, and is equal to fair value. Participants may withdraw

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - Investment Contract with Insurance Company (continued)

all or a portion of their investment balance without any fees or restrictions for “benefit responsive events” such as termination of employment, retirement, disability or death at contract value.

The fair value of the investment contract at December 31, 2021 and 2020 was \$18,078,329 and \$17,548,296, respectively, which is equal to the contract value. The average yield and crediting interest rate approximated three percent (3%) for 2021 and 2020. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer, but may not be less than three percent (3%). Such interest rates are reviewed on a quarterly basis for resetting.

Certain events may limit the Plan's ability to transact with Prudential at contract value paid within 90 days. Such events include plan sponsor initiated complete or partial termination of the contract, bankruptcy of the plan sponsor, or other plan sponsor events that cause a significant withdrawal from the plan. The Plan administrator believes the occurrence of such events that would limit the Plan's ability to transact at contract value within 90 days with Plan participants is not probable. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

NOTE 5 - Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. No allowance for credit losses has been recorded as of December 31, 2021 or 2020.

If a participant ceases to make loan repayments and the plan administrator deems the default to be a distribution, the participant loan balance is reduced and a benefit payment is recorded. Deemed distributions from defaulted loans amounted to \$6,540 and \$29,375 during the years ended December 31, 2021 and 2020, respectively, and are included in benefit payment expense.

NOTE 6 - Tax Status

The Plan has on file an opinion letter from the Internal Revenue Service stating that the written form of the underlying prototype plan document is qualified under Section 401(a) of the Internal Revenue Code (the “Code”), and that any employer

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - Tax Status (continued)

adopting this form of the Plan will be considered to have a plan qualified under Section 401(a) of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

NOTE 7 - Plan Termination

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

NOTE 8 - Related Party Transactions

Certain plan investments are shares in mutual funds, pooled separated accounts, and in a guaranteed investment contract managed by Prudential. Prudential is the trustee, as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions.

NOTE 9 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to Form 5500:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Net assets available for benefits per financial statements	\$ 67,941,288	\$ 59,914,274
Less: Contributions receivable	<u>(74,484)</u>	<u>(66,073)</u>
Net assets available for benefits per Form 5500	\$ <u>67,866,804</u>	\$ <u>59,848,201</u>

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to Form 5500:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Increase in net assets available for benefits per financial statements	\$ 8,027,014	\$ 11,095,593
Adjustment for change in contributions receivable	<u>(8,411)</u>	<u>(18,704)</u>
Increase (decrease) in net assets available for benefits per Form 5500	<u>\$ 8,018,603</u>	<u>\$ 11,076,889</u>

The Plan files Form 5500 on the cash basis of accounting, and accordingly, does not include values for receivables or accrued expenses.

NOTE 10 - Risks and Uncertainties

The Plan utilizes various investment instruments, including common stock, mutual funds, pooled separate accounts and a Guaranteed Investment Contract. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

NOTE 11 - Subsequent Events

The Plan has evaluated subsequent events through September 26, 2022 which is the date the financial statements were available to be issued.

MAROTTA CONTROLS, INC. EMPLOYEES 401(K) PLAN
SUPPLEMENTAL SCHEDULE
PLAN 003 (EIN: 22-1528122)
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par of Maturity Value	(d) Cost	(e) Current Value
*	Prudential Guaranteed Interest Account	Investment Contract		18,078,329
*	Prudential Day One IFX Target Bal Fund	Pooled Separate Account		137,353
*	Prudential Day One 2020 Fund	Pooled Separate Account		16,042
*	Prudential Day One 2030 Fund	Pooled Separate Account		143,417
*	Prudential Day One 2035 Fund	Pooled Separate Account		116,249
*	Prudential Day One 2040 Fund	Pooled Separate Account		30,432
*	Prudential Day One 2045 Fund	Pooled Separate Account		653
*	Prudential Day One 2050 Fund	Pooled Separate Account		31,282
*	Prudential Day One 2055 Fund	Pooled Separate Account		1,630
*	Prudential Day One 2060 Fund	Pooled Separate Account		60,658
*	Columbia Dividend Val ISP	Pooled Separate Account		3,966,833
	Pgim Qma Intl Equity R6 Fund	Mutual Fund		471,479
	Vanguard Small-Cap Growth Fund	Mutual Fund		1,498,217
	Franklin Small-Mid Cap Growth Fund	Mutual Fund		3,687,594
	Franklin Utilities A1 Fund	Mutual Fund		396,613
	Pgim Government Income R6 Fund	Mutual Fund		5,771,507
	Pgim Balanced R6 Fund	Mutual Fund		2,048,086
	Vanguard 500 Index Admiral Fund	Mutual Fund		5,594,605
	Victory Syca Established CL R6 Fund	Mutual Fund		3,358,712
	Pgim Jennison Growth Fund	Mutual Fund		11,050,152
	T Rowe Price Small Cap Value Adv Fund	Mutual Fund		158,174
	American Funds European GRR5 Fund	Mutual Fund		6,137,593
	Vanguard Total Stock Admiral Fund	Mutual Fund		490,471
	Vanguard Midcap Index Fund	Mutual Fund		1,743,715
	Pimco Total Return Bond Admin Fund	Mutual Fund		218,491
	Oakmark EQ&Inc Investors Fund	Mutual Fund		1,378,398
	Self-Directed Brokerage Account	Various		749,426
*	Participant Loans	Interest rates ranging from 4.25% to 6.50%		530,692
* Party-in-interest (d) Not Required				

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(K) PLAN
SUPPLEMENTAL SCHEDULE
PLAN 001 (EIN: 22-1528122)
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2021

<u>(a) Identity of Party Involved</u>	<u>(b) Description of Asset</u>	<u>(c) Purchase Price</u>	<u>(d) Selling Price</u>	<u>(g) Cost of Asset</u>	<u>(h) Current Value on Trans. Date</u>	<u>(i) Net Gain or Loss</u>
<u>Category (I): Individual Transactions In Excess of 5% of Plan Assets</u>						
Prudential Investments	Columbia Dividend VAL ISP	\$ 3,911,069		\$ 3,911,069	\$ 3,911,069	
Prudential Investments	Invesco Comstock R6		\$ 3,915,765	\$ 2,266,364	\$ 3,915,765	\$ 1,649,401
<u>Category (II): Series of Non-Securities Transactions in Excess of 5% of Plan Assets</u>						
	Series Totals:	\$ 2,420	\$ 12,225,582			
<u>Category (III): Series of Securities Transactions in Excess of 5% of Plan Assets</u>						
Prudential Investments	Columbia Dividend VAL ISP	\$ 4,236,526		\$ 4,236,526	\$ 4,236,526	
	Total # Trans= 27					
Prudential Investments	Invesco Comstock R6		\$ 4,414,550	\$ 2,569,364	\$ 4,414,550	\$ 1,845,186
<u>Category (IV): Securities Transactions Related to Individual Transactions in Excess of 5% of Plan Assets</u>						
***** None of the securities transactions exceeded the threshold amounts *****						

**MAROTTA CONTROLS, INC.
EMPLOYEES 401(k) PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION
DECEMBER 31, 2021 AND 2020**

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

**Financial Statements
and Supplemental Information**

December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Marotta Controls, Inc. Employees 401(k) Plan:

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

We have performed an audit of the accompanying financial statements of Marotta Controls, Inc. Employees 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). 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 2021 financial statement.

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

Management has obtained certifications from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 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 Auditor's Responsibilities for the Audit of the 2021 Financial Statements section—

- the amounts and disclosures in the 2021 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

- 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. Our responsibilities under those standards are further described in the Auditor's 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 accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

Auditor's Responsibilities for the Audit of the 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 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 accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedules, Schedule H, Line 4i - Schedule of Assets (Held at End of Year) and Schedule H, Line 4j - Schedule of Reportable Transactions, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived

Marotta Controls, Inc. Employees 401(k) Plan
Independent Auditor's Report

from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution 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

We were engaged to audit the 2020 financial statements of Marotta Controls, Inc. Employees 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 20, 2021, we indicated that (a) because of the significance of the information we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



CLYNE EAGAN & ASSOCIATES, P.A.

September 26, 2022
Cedar Knolls, New Jersey

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
ASSETS	<u>2021</u>	<u>2020</u>
Investments:		
Self-directed brokerage accounts, at fair value	\$ 749,426	\$ 588,332
Mutual funds, at fair value	44,003,808	41,021,167
Pooled separate accounts, at fair value	4,504,549	308,775
Guaranteed investment contract, at contract value	18,078,329	17,548,296
Total investments	<u>67,336,112</u>	<u>59,466,570</u>
Receivables:		
Notes receivable from participants	530,692	381,631
Employer contributions	74,484	66,073
Total receivables	<u>605,176</u>	<u>447,704</u>
Total assets	67,941,288	59,914,274
Total liabilities	<u>-</u>	<u>-</u>
Net assets available for benefits	<u>\$ 67,941,288</u>	<u>\$ 59,914,274</u>

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For the Year Ended December 31,	
	2021	2020
Additions to net assets:		
Investment income:		
Interest and dividends	\$ 1,013,289	\$ 866,582
Net appreciation in fair market value of investments	6,182,134	8,053,386
	<u>7,195,423</u>	<u>8,919,968</u>
Interest income on notes receivable from participants	18,877	22,648
Participant contributions	3,941,768	3,274,408
Employer contributions	1,065,301	982,480
Rollover contributions	458,631	397,264
Total additions	<u>12,680,000</u>	<u>13,596,768</u>
Deductions from net assets:		
Benefit payments	4,579,672	2,471,156
Administrative and investment expenses	73,314	30,019
Total deductions	<u>4,652,986</u>	<u>2,501,175</u>
Increase in net assets	8,027,014	11,095,593
Net assets available for benefits, beginning of year	<u>59,914,274</u>	<u>48,818,681</u>
Net assets available for benefits, end of year	<u>\$ 67,941,288</u>	<u>\$ 59,914,274</u>

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1- Description of Plan

The following description of the Marotta Controls, Inc. Employees 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more comprehensive description of the Plan's provisions.

General

The Plan is a defined contribution plan covering employees of Marotta Controls, Inc. who are age eighteen or older and who have two months of service, as defined. The Plan is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Contributions

Participants may elect to contribute up to a maximum of fifty (50%) percent of their annual compensation, as defined in the Plan. For each calendar year, elective deferrals may not exceed a specific dollar amount determined by Internal Revenue Service ("IRS") guidelines (maximum of \$19,500 for the year ended 2021 and \$19,000 for the year ended 2020). Additionally, participants aged fifty or older are permitted to make annual "catch-up" contributions to the Plan up to a maximum of \$6,500 and \$6,000 for each of the years ended December 31, 2021 and 2020, respectively. Catch-up contributions are made in addition to standard elective deferrals. Participants may also make rollover contributions representing distributions from other qualified retirement plans.

The Plan offers two types of elective deferrals; pre-tax deferrals, which defer income taxes payable by participants on the amounts contributed to the Plan, and Roth deferrals, for which participant contributions to the Plan are subject to income taxes in the year of deferral, but not at the time of distributions from the Plan (along with related earnings). The Plan provides for automatic deferrals of six percent (6%) for new participants, when no other election is made.

The Plan provides for employer matching contributions equal to fifty percent (50%) of the initial six percent (6%) of employee elective salary deferrals, exclusive of catch-up contributions. Employer matching contributions for the years ended December 31, 2021 and 2020 amounted to \$1,065,301 and \$982,480, respectively (net of re-allocated forfeitures). Matching contributions due the Plan at December 31, 2021 and 2020 amounted to \$74,484 and \$66,073, respectively.

The Plan also provides for discretionary employer contributions, with amounts limited under a formula provided for in the Plan's Adoption Agreement, and further limited to the amount allowable as a deduction for federal income tax purposes, under the applicable provisions of the Internal Revenue Code. There were no discretionary contributions declared for either of the years ended December 31, 2021 or 2020.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Description of Plan (continued)

Contributions (continued)

Participants who do not have at least 1,000 hours of service during such plan year are generally not eligible for an allocation of Company contributions for such year.

Participant Accounts

Each participant's account is credited with (a) the participant's contributions, (b) the participant's share of the employer contributions, if any, (c) an allocation of earnings, and (d) an allocation of forfeitures of terminated participant's non-vested accounts. Allocations are based on participant account balances or eligible compensation, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in employer contributions, plus actual earnings thereon, is based on years of continuous service. A participant is one hundred percent (100%) vested after five years of credited service.

Notes Receivable from Participants

Active participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or fifty percent (50%) of their account balance. Loan terms range from one to five years or up to twenty-five years for the purchase of a primary residence, and are secured by the balance in the participant's account. Participant loans bear interest at the "bank prime rate", as reported by the U.S. Federal Reserve, plus one percent (1%), at the inception of the loan, with principal and interest payable in equal installments over the loan term. A participant can only maintain one outstanding loan from the Plan at any point in time.

Investment Options

Participants direct the investment of their account balances into one or more investment options available, and may change their investment options at their discretion.

Payment of Benefits

On termination of service, a participant may elect to receive the value of the participant's vested interest in his or her account in a lump-sum amount, in periodic

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Description of Plan (continued)

installments or via an annuity. The Plan also provides for in-service distributions for Participant's that have attained age 59 1/2 (subject to vesting provisions), and also provides for distribution of rollover accounts at any time. Benefit payments are recorded when paid.

Net Assets Available for Benefits

Net assets available for benefits at December 31, 2021 and 2020 include \$13,862,347 and \$12,583,052 allocated to the accounts of terminated participants.

Forfeited Accounts

Forfeitures representing the non-vested portion of terminated participant account balances are reallocated among eligible participants during the plan year in which the separated participant has incurred a six year break in service, as defined. Forfeitures of discretionary contributions are allocated in addition to, and in the same manner as, employer discretionary contributions. During the years ended December 31, 2021 and 2020, there were no forfeitures applied to employer matching contributions otherwise due the Plan from employer.

Net assets available for benefits at December 31, 2021 and 2020 include \$96,611.76 and \$108,748 respectively, of unallocated forfeitures.

NOTE 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. The Plan prepares and files Form 5500 on the cash basis of accounting, and accordingly, does not include employee or employer contributions receivable.

Valuation of Investments and Income Recognition

The Plan's investments are stated at fair value (except the fully benefit-responsive investment contract, which is reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 820, Fair Value Measurements and Disclosures, establishes a 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 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 below:

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

Level 2 – Inputs to the valuation methodology include:

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

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

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

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

The Plan's assets are invested in marketable securities, mutual funds, common collective trust funds, pooled separate accounts and an investment in an insurance contract.

Self-directed accounts: These investments consist primarily of marketable securities traded in active markets, and are valued at the closing prices reported on the active market in which the individual securities are traded.

Mutual funds: Valued at the NAV of shares held by the plan at year end.

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

Pooled Separate Accounts: The units of pooled separate accounts are stated at fair value as determined by the issuer of the account based on the fair value of the underlying investments. Individual participant accounts invested in the pooled separate accounts are maintained on a unit value basis. Pooled separate accounts are categorized as Level 2 assets, as they are valued using third party pricing services. These services may utilize, for example, model-based pricing methods that use observable market data as inputs. Broker dealer bids or quotes of securities with similar characteristics may also be used.

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 tables below set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020.

<u>Assets at Fair Value as of December 31, 2021</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage	\$ 749,426	\$ -	\$ -	\$ 749,426
Mutual funds	44,003,808	-	-	44,003,807
Pooled Separate Accounts	-	4,504,549	-	4,504,549
	<u>\$44,753,234</u>	<u>\$4,504,549</u>	<u>\$ -</u>	<u>\$49,257,783</u>

<u>Assets at Fair Value as of December 31, 2020</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Self-directed brokerage	\$ 588,332	\$ -	\$ -	\$ 588,332
Mutual funds	41,021,167	-	-	41,021,167
Pooled Separate Accounts	-	308,775	-	308,775
	<u>\$41,609,499</u>	<u>\$ 308,755</u>	<u>\$ -</u>	<u>\$59,466,570</u>

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - Summary of Significant Accounting Policies (continued)

Use of Estimates

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

Administrative Expenses

Certain administrative expenses of the Plan are paid by the Company and are not reflected on these financial statements.

NOTE 3- Information Prepared and Certified by Prudential Bank & Trust, F.S.B.

The following information included in the accompanying financial statements and supplemental schedule of assets held at the end of the years ended December 31, 2021 and 2020 was obtained from data that has been prepared and certified to be complete and accurate by Prudential Bank & Trust, F.S.B., the trustee, as of and for the years ended December 31, 2021 and 2020.

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Investments, at fair value	\$ 49,257,783	\$ 41,918,274
Investments, at contract value	18,078,329	17,548,296
Interest and dividends	1,032,166	889,230
Net appreciation (depreciation) in fair value of investments	6,182,134	8,053,386

NOTE 4 - Investment Contract with Insurance Company

The Plan is party to a fully benefit-responsive investment contract with Prudential Insurance Company of America ("Prudential"). Prudential maintains the contributions in a general account which is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Contract value, as reported to the Plan by Prudential, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses, and is equal to fair value. Participants may withdraw

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - Investment Contract with Insurance Company (continued)

all or a portion of their investment balance without any fees or restrictions for “benefit responsive events” such as termination of employment, retirement, disability or death at contract value.

The fair value of the investment contract at December 31, 2021 and 2020 was \$18,078,329 and \$17,548,296, respectively, which is equal to the contract value. The average yield and crediting interest rate approximated three percent (3%) for 2021 and 2020. There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer, but may not be less than three percent (3%). Such interest rates are reviewed on a quarterly basis for resetting.

Certain events may limit the Plan's ability to transact with Prudential at contract value paid within 90 days. Such events include plan sponsor initiated complete or partial termination of the contract, bankruptcy of the plan sponsor, or other plan sponsor events that cause a significant withdrawal from the plan. The Plan administrator believes the occurrence of such events that would limit the Plan's ability to transact at contract value within 90 days with Plan participants is not probable. The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

NOTE 5 - Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. No allowance for credit losses has been recorded as of December 31, 2021 or 2020.

If a participant ceases to make loan repayments and the plan administrator deems the default to be a distribution, the participant loan balance is reduced and a benefit payment is recorded. Deemed distributions from defaulted loans amounted to \$6,540 and \$29,375 during the years ended December 31, 2021 and 2020, respectively, and are included in benefit payment expense.

NOTE 6 - Tax Status

The Plan has on file an opinion letter from the Internal Revenue Service stating that the written form of the underlying prototype plan document is qualified under Section 401(a) of the Internal Revenue Code (the “Code”), and that any employer

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 6 - Tax Status (continued)

adopting this form of the Plan will be considered to have a plan qualified under Section 401(a) of the Code. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes that the Plan is qualified and the related trust is tax exempt.

NOTE 7 - Plan Termination

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

NOTE 8 - Related Party Transactions

Certain plan investments are shares in mutual funds, pooled separated accounts, and in a guaranteed investment contract managed by Prudential. Prudential is the trustee, as defined by the Plan, and therefore, these transactions qualify as party-in-interest transactions.

NOTE 9 - Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to Form 5500:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Net assets available for benefits per financial statements	\$ 67,941,288	\$ 59,914,274
Less: Contributions receivable	<u>(74,484)</u>	<u>(66,073)</u>
Net assets available for benefits per Form 5500	\$ <u>67,866,804</u>	\$ <u>59,848,201</u>

MAROTTA CONTROLS, INC. EMPLOYEES 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to Form 5500:

	<u>December 31,</u>	
	<u>2021</u>	<u>2020</u>
Increase in net assets available for benefits per financial statements	\$ 8,027,014	\$ 11,095,593
Adjustment for change in contributions receivable	<u>(8,411)</u>	<u>(18,704)</u>
Increase (decrease) in net assets available for benefits per Form 5500	<u>\$ 8,018,603</u>	<u>\$ 11,076,889</u>

The Plan files Form 5500 on the cash basis of accounting, and accordingly, does not include values for receivables or accrued expenses.

NOTE 10 - Risks and Uncertainties

The Plan utilizes various investment instruments, including common stock, mutual funds, pooled separate accounts and a Guaranteed Investment Contract. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

NOTE 11 - Subsequent Events

The Plan has evaluated subsequent events through September 26, 2022 which is the date the financial statements were available to be issued.

MAROTTA CONTROLS, INC. EMPLOYEES 401(K) PLAN
SUPPLEMENTAL SCHEDULE
PLAN 003 (EIN: 22-1528122)
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2021

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par of Maturity Value	(d) Cost	(e) Current Value
*	Prudential Guaranteed Interest Account	Investment Contract		18,078,329
*	Prudential Day One IFX Target Bal Fund	Pooled Separate Account		137,353
*	Prudential Day One 2020 Fund	Pooled Separate Account		16,042
*	Prudential Day One 2030 Fund	Pooled Separate Account		143,417
*	Prudential Day One 2035 Fund	Pooled Separate Account		116,249
*	Prudential Day One 2040 Fund	Pooled Separate Account		30,432
*	Prudential Day One 2045 Fund	Pooled Separate Account		653
*	Prudential Day One 2050 Fund	Pooled Separate Account		31,282
*	Prudential Day One 2055 Fund	Pooled Separate Account		1,630
*	Prudential Day One 2060 Fund	Pooled Separate Account		60,658
*	Columbia Dividend Val ISP	Pooled Separate Account		3,966,833
	Pgim Qma Intl Equity R6 Fund	Mutual Fund		471,479
	Vanguard Small-Cap Growth Fund	Mutual Fund		1,498,217
	Franklin Small-Mid Cap Growth Fund	Mutual Fund		3,687,594
	Franklin Utilities A1 Fund	Mutual Fund		396,613
	Pgim Government Income R6 Fund	Mutual Fund		5,771,507
	Pgim Balanced R6 Fund	Mutual Fund		2,048,086
	Vanguard 500 Index Admiral Fund	Mutual Fund		5,594,605
	Victory Syca Established CL R6 Fund	Mutual Fund		3,358,712
	Pgim Jennison Growth Fund	Mutual Fund		11,050,152
	T Rowe Price Small Cap Value Adv Fund	Mutual Fund		158,174
	American Funds European GRR5 Fund	Mutual Fund		6,137,593
	Vanguard Total Stock Admiral Fund	Mutual Fund		490,471
	Vanguard Midcap Index Fund	Mutual Fund		1,743,715
	Pimco Total Return Bond Admin Fund	Mutual Fund		218,491
	Oakmark EQ&Inc Investors Fund	Mutual Fund		1,378,398
	Self-Directed Brokerage Account	Various		749,426
*	Participant Loans	Interest rates ranging from 4.25% to 6.50%		530,692
* Party-in-interest (d) Not Required				

SEE INDEPENDENT AUDITOR'S REPORT AND NOTES TO FINANCIAL STATEMENTS

MAROTTA CONTROLS, INC. EMPLOYEES 401(K) PLAN
SUPPLEMENTAL SCHEDULE
PLAN 001 (EIN: 22-1528122)
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
December 31, 2021

<u>(a) Identity of Party Involved</u>	<u>(b) Description of Asset</u>	<u>(c) Purchase Price</u>	<u>(d) Selling Price</u>	<u>(g) Cost of Asset</u>	<u>(h) Current Value on Trans. Date</u>	<u>(i) Net Gain or Loss</u>
<u>Category (I): Individual Transactions In Excess of 5% of Plan Assets</u>						
Prudential Investments	Columbia Dividend VAL ISP	\$ 3,911,069		\$ 3,911,069	\$ 3,911,069	
Prudential Investments	Invesco Comstock R6		\$ 3,915,765	\$ 2,266,364	\$ 3,915,765	\$ 1,649,401
<u>Category (II): Series of Non-Securities Transactions in Excess of 5% of Plan Assets</u>						
	Series Totals:	\$ 2,420	\$ 12,225,582			
<u>Category (III): Series of Securities Transactions in Excess of 5% of Plan Assets</u>						
Prudential Investments	Columbia Dividend VAL ISP	\$ 4,236,526		\$ 4,236,526	\$ 4,236,526	
	Total # Trans= 27					
Prudential Investments	Invesco Comstock R6		\$ 4,414,550	\$ 2,569,364	\$ 4,414,550	\$ 1,845,186
<u>Category (IV): Securities Transactions Related to Individual Transactions in Excess of 5% of Plan Assets</u>						
***** None of the securities transactions exceeded the threshold amounts *****						