

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>NICKLAUS CHILDREN'S HEALTH SYSTEM RETIREMENT PLAN</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>NICKLAUS CHILDREN'S HEALTH SYSTEM</u> <u>3100 SW 62ND AVENUE</u> <u>MIAMI, FL 33155-3009</u>	1b Three-digit plan number (PN) ▶	<u>001</u>	
	1c Effective date of plan	<u>01/01/1985</u>	
	2b Employer Identification Number (EIN)	<u>45-3481327</u>	
	2c Plan Sponsor's telephone number	<u>305-666-6511</u>	
	2d Business code (see instructions)	<u>622000</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.	10/11/2022	BEATRIZ LIEVANO-CABALLERO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2022	BEATRIZ LIEVANO-CABALLERO
	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	5170
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	3841
a(2) Total number of active participants at the end of the plan year		6a(2)	3978
b Retired or separated participants receiving benefits.....		6b	27
c Other retired or separated participants entitled to future benefits		6c	1380
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	5385
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	5385
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	5385
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2M 2F 2T 2S 3D 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 NICKLAUS CHILDREN'S HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NICKLAUS CHILDREN'S HEALTH SYSTEM	D Employer Identification Number (EIN) 45-3481327

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	002415	5385	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

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	112331415
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	390956

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	110819778
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c	Additions: (1) Contributions deposited during the year	7c(1)	4025736	
	(2) Dividends and credits.....	7c(2)		
	(3) Interest credited during the year.....	7c(3)	3350246	
	(4) Transferred from separate account.....	7c(4)	346	
	(5) Other (specify below)	7c(5)	10421158	

▶ LOAN REPAYMENTS MISCELLANEOUS IN TRANSFERS IN

(6) Total additions	7c(6)	17797486
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d	Total of balance and additions (add lines 7b and 7c(6))	7d	128617264
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e Deductions:

	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	8776388	
	(2) Administration charge made by carrier.....	7e(2)	10337	
	(3) Transferred to separate account.....	7e(3)	11236	
	(4) Other (specify below)	7e(4)	7487888	

▶ FORF. DR., TRANSFERS OUT LOAN INITIATIONS MISC. OUT

(5) Total deductions	7e(5)	16285849
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f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	112331415
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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 NICKLAUS CHILDREN'S HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 NICKLAUS CHILDREN'S HEALTH SYSTEM	D Employer Identification Number (EIN) 45-3481327	

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)

PRUDENTIAL INSURANCE COMPANY OF AME

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?
15 16 27 49 37 50 64	NONE	779315	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

PRIAC

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	163380	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CAPFINANCIAL PARTNERS LLC

26-0058143

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	128500	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)

RSM US LLP

42-0714325

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	16460	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FOLEY & LARDNER, LLP

39-0473800

(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?
29	NONE	14071	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 JENN MID-CAP GRWTH 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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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

a Name:	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>NICKLAUS CHILDREN'S HEALTH SYSTEM RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>NICKLAUS CHILDREN'S HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>45-3481327</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)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRU IFX TRGT 60/40 ALLCTN</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-000</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>390956</u>
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)
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)
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)

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)**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)**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)**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)**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)

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

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan NICKLAUS CHILDREN'S HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 NICKLAUS CHILDREN'S HEALTH SYSTEM	D Employer Identification Number (EIN) 45-3481327	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is 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)	11454063
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	273654
(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)	306872292
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	110819778
(15) Other.....	1c(15)	10220913
		390956
		351226184
		112331415

		(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	429419787 474169468
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	429419787 474169468

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)	1960006
	(B) Participants	2a(1)(B)	19426540
	(C) Others (including rollovers).....	2a(1)(C)	981985
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	22368531
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)	611163
	(F) Other	2b(1)(F)	3350246
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	3961409
(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)	4407164
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	4407164
(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)		46750
(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)		42793624
c Other income.....	2c		-259289
d Total income. Add all income amounts in column (b) and enter total.....	2d		73318189
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	27872303	
(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)		27872303
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		68828
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)	627377	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		627377
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		28568508
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		44749681
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: RSM US LLP

(2) EIN: 42-0714325

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		10000000
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 NICKLAUS CHILDREN'S HEALTH SYSTEM RETIREMENT PLAN	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 NICKLAUS CHILDREN'S HEALTH SYSTEM	D Employer Identification Number (EIN) 45-3481327

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.
---------	--

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 _____

Nicklaus Children's Health System Retirement Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Plan Administrator
Nicklaus Children's Health System Retirement Plan

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

We have performed an audit of the financial statements of Nicklaus Children's Health System Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

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

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

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 financial statements section:

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

Basis for Opinion on the 2021 Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Other Matters

2021 Supplemental Schedule Required by ERISA

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

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

In our opinion:

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed 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 October 5, 2021, we indicated that (a) because of the significance of the information that 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Fort Lauderdale, Florida
October 7, 2022

Nicklaus Children's Health System Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value	\$ 351,617,140	\$ 307,145,946
Investments at contract value	112,331,415	110,819,778
	<u>463,948,555</u>	<u>417,965,724</u>
Receivables:		
Participants' contributions	851,462	649,294
Employer's contributions	293,647	-
Notes from participants	10,220,913	11,480,197
	<u>11,366,022</u>	<u>12,129,491</u>
Total assets	<u>475,314,577</u>	<u>430,095,215</u>
Net assets available for benefits	<u>\$ 475,314,577</u>	<u>\$ 430,095,215</u>

See notes to financial statements.

Nicklaus Children's Health System Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2021 and 2020

	2021	2020
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 42,083,363	\$ 46,227,860
Interest and dividends	7,757,410	6,856,380
	<u>49,840,773</u>	<u>53,084,240</u>
Interest income on notes receivable from participants	611,163	609,179
Contributions:		
Participants	19,628,708	16,991,009
Employer, net of forfeitures	2,244,745	1,740,217
Rollovers	981,985	1,676,098
Total additions	<u>73,307,374</u>	<u>74,100,743</u>
Deductions from net assets attributed to:		
Benefit paid to participants	28,026,139	48,665,430
Administrative expenses	59,812	26,927
Other deductions	2,061	20,028
Total deductions	<u>28,088,012</u>	<u>48,712,385</u>
Net increase in net assets available for benefits	45,219,362	25,388,358
Net assets available for benefits:		
Beginning of year	<u>430,095,215</u>	<u>404,706,857</u>
End of year	<u>\$ 475,314,577</u>	<u>\$ 430,095,215</u>

See notes to financial statements.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of Nicklaus Children's Health System Retirement Plan (the Plan) provides general information. Interested parties should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

General: The Plan, established January 1, 1985, is a defined contribution plan made available to all eligible employees of Variety Children's Hospital d/b/a Nicklaus Children's Hospital (the Hospital), Miami Children's Health System, Inc. d/b/a Nicklaus Children's Health System (the Health System), and Miami Children's Health System Foundation, Inc. d/b/a Nicklaus Children's Hospital Foundation (the Foundation) (collectively, the Participating Employers). Effective January 1, 2014, the Hospital amended and restated the Plan to transfer sponsorship of the Plan to the Health System (collectively the Plan Sponsor or the Company), and allow for eligible employees of the Health System and the Foundation to participate in the Plan. Concurrently, with the amendment, the Plan was renamed to the Miami Children's Health System Retirement Plan. Effective January 1, 2017, the Plan was renamed from Miami Children's Health System Retirement Plan to Nicklaus Children's Health System Retirement Plan.

The Health System is the Plan Administrator. The organization and compensation committee, along with the investment committee, are responsible for oversight of the Plan. Prudential Insurance Company of America (PICA) is the recordkeeper and the custodian for the Plan's investment in the guaranteed interest account and Prudential Trust Company is the custodian for all other plan investments.

Plan amendment: The Company elected to suspend employer discretionary matching contributions and the related true up effective April 30, 2020 and these were reinstated on March 1, 2021. On August 2, 2021, the Plan was amended to modify the annual 1% increase in the participant's automatic enrollment pretax deferral provision from a maximum of 6% to a maximum of 10%.

Contributions: For each plan year, the Company contributes to accounts of eligible participants who have completed one year of eligible service. Company contributions represent a percentage of all eligible pay for the year, at the Company's discretion, up to a maximum equal to the Internal Revenue Service (IRS) annual limitation. Contributions for the period from January 1, 2020 through April 30, 2020 included a 100% match of participant contributions up to 3% of eligible earnings. For the period from March 1, 2021 through December 31, 2021, contributions included a 100% match of participant contributions up to 1% of eligible earnings. For the years ended December 31, 2021 and 2020, the matching contributions, net of forfeitures, were approximately \$2.2 million and \$1.7 million, respectively. Eligible earnings are subject to IRS compensation limits, which for 2021 and 2020 was \$290,000 and \$285,000, respectively.

Unless a new participant elects otherwise, he or she will be automatically enrolled in the Plan at a contribution rate of 3% of eligible compensation. Likewise, any current participant who is not contributing at least 3% of eligible compensation to the Plan will automatically be escalated to a 3% contribution. Participant contributions will increase annually by 1% up to a maximum of 10%. Individuals who do not wish to participate in the Plan or wish to contribute to the Plan at a different level are required to opt out of the automatic enrollment or escalation feature each year. All employees are immediately eligible to make voluntary contributions to the Plan upon initial employment and execution of a contribution agreement up to a maximum equal to the IRS annual limitations and remain eligible until termination. For the years ended December 31, 2021 and 2020, participant contributions were subject to an overall annual limitation of \$19,500. Participants ages 50 or over were allowed to also contribute additional catch-up contributions of \$6,500 in 2021 and 2020.

The Plan also allows Roth participant deferrals.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Investment options: Participants direct their elective contributions into various investment options offered by the Plan, including a self-directed brokerage account option as defined by the Plan, and can change their investment options on a daily basis. The Company's contributions are allocated in the same manner as that of the participant's elective contributions. Participants may also transfer amounts from other qualified defined benefit or defined contribution plans to the Plan.

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

Vesting: Participants are immediately vested in their voluntary and rollover contributions and related investment earnings. Participants are fully vested after three years of service in the Company's matching and non-matching contributions made on or after January 1, 2007. A year of service is credited for each calendar year in which the employee completes 1,000 or more hours of service. However, if an active participant dies or becomes disabled prior to reaching the normal retirement age, the participant's account becomes 100% vested.

Forfeited accounts: Forfeiture accounts are established when participants terminate participation in the Plan before becoming fully vested in the Company's contribution under the Plan. Forfeitures are used to reduce the Company's contributions to the Plan or to pay plan expenses. If an employee is rehired by the Company before the completion of five consecutive breaks in service, any forfeited amount will be restored to the participant's company contribution account. A break in service is defined as a calendar year in which the employee is not credited with more than 500 hours of service. The accumulated forfeitures held by the Plan as of December 31, 2021 and 2020, were approximately \$256,000 and \$333,000, respectively, and forfeitures used to reduce company contributions for 2021 and 2020 were approximately \$112,000 and \$1,250,000, respectively.

Notes receivable from participants: Participants may borrow from their accounts up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Written spousal consent is required, as applicable, for all notes. The notes are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the Plan Administrator. The interest rate on outstanding notes as of December 31, 2021, ranges from 4.25% to 6.50% that mature through 2036. Principal and interest on outstanding notes are repaid semimonthly or biweekly through payroll deductions. Notes can also be repaid directly to Prudential Trust Company and the Prudential Insurance Company of America by the participants.

Payment of benefits: Participant's vested account balances are payable on termination, death, disability, and retirement. Generally, vested account balances not exceeding \$1,000 are distributed to participants in a single lump-sum payment after employment with the Company is terminated. As further described in the Plan document, participants have several options for receiving benefits including a lump-sum payment, installment payment or an annuity. Payments of benefits generally must begin by April 1 of the year after the participant reaches age 72 or, if later, April 1 of the year after the participant retires. In-service withdrawals are not permitted from participant or Company contribution accounts. Hardship withdrawals are generally not permitted by the Plan.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The accompanying financial statements have been prepared under the accrual basis of accounting.

Use of estimates: The preparation of financial statements, in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP), requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are 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. The Investment Committee of the Plan Sponsor determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for further discussion of fair value measurements.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement for the portion of the net assets available for benefits attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

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

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

Notes receivable from participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. The terms of repayment are within five years or over a reasonable period of time for the purchase of a participant's primary residence, as established by the Plan Administrator at the time of the loan. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make note repayments and the Plan Administrator deems the participant note to be in default, the participant note balance is reduced and a benefit payment is recorded based on the terms of the Plan.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Note origination fees are charged directly to the participant's account. Certain administrative costs for the Plan, including investment advisory and management fees have been paid by the Plan. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

Payment of benefits: Plan benefits are recorded when paid.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Subsequent events: The Plan evaluated events subsequent to December 31, 2021, and through October 7, 2022, the date on which the financial statements were available to be issued.

On April 1, 2022, Great-West Life & Annuity Insurance Company, the parent company of Empower Retirement, LLC acquired the full-service retirement business of Prudential Financial, Inc. which includes the custodians of the Plan. The Plan's assets will be transferred to Great-West Life & Annuity Insurance Company at a future date to be determined.

Note 3. Information Certified and Provided by Prudential Trust Company and Prudential Insurance Company of America (Custodians)

The following is a summary of the Plan's asset information as of December 31, 2021 and 2020, and for the years then ended, included in the Plan's financial statements and ERISA-required supplemental schedule that was prepared by or derived from information provided by Prudential Trust Company and Prudential Insurance Company of America (PICA), the custodians of the Plan, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodians that information provided to the Plan Administrator by the custodians related to the following assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to this information that appears throughout the financial statements and supplemental schedule related to the following assets:

	December 31	
	2021	2020
Investments at fair value:		
Registered investment companies (mutual funds)	\$ 351,226,184	\$ 306,872,292
Pooled separate account	390,956	273,654
Investments at contract value:		
Guaranteed interest account	\$ 112,331,415	\$ 110,819,778
Notes receivable from participants	\$ 10,220,913	\$ 11,480,197

The custodians have also certified to the completeness and accuracy of \$42,083,363 and \$46,227,860 of net appreciation in fair value of investments and \$8,368,573 and \$7,465,559 of dividends and interest related to the aforementioned plan assets for the years ended December 31, 2021 and 2020, respectively.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy 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

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

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

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

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

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

Pooled separate accounts: Valued at the NAV of shares in each account held by the Plan at year-end. The NAV is not a publicly-quoted price in an active market. The NAV, as provided by the insurance carrier, is used as a practical expedient to estimate fair value.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

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

Description	Assets of Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment companies (mutual funds)	\$ 351,226,184	\$ -	\$ -	\$ 351,226,184
	<u>\$ 351,226,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>351,226,184</u>
Investments measured at NAV (a)				390,956
Investments at fair value				<u>\$ 351,617,140</u>

Description	Assets of Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment companies (mutual funds)	\$ 306,872,292	\$ -	\$ -	\$ 306,872,292
	<u>\$ 306,872,292</u>	<u>\$ -</u>	<u>\$ -</u>	<u>306,872,292</u>
Investments measured at NAV (a)				273,654
Investments at fair value				<u>\$ 307,145,946</u>

(a) In accordance with the Fair Value Measurements topic, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The following table summarizes investments for which fair value is estimated using NAV per share (or its equivalent) as a practical expedient as of December 31, 2021 and 2020:

	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31 2021	December 31 2020			
Pooled separate accounts:					
Prudential IncomeFlex Target 60/40 Allocation Fund (b)	<u>\$ 390,956</u>	<u>\$ 273,654</u>	None	None	None

(b) The Fund objective is a balance between growth and conservation of capital through investments in a portfolio of mutual funds that provide exposure to equity and fixed income.

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits.

Note 5. Fully Benefit-Responsive Investment Contract

The guaranteed interest account (GIA) is an insurance annuity contract with PICA that provides participants with a death benefit, a guaranteed interest rate and the ability for the participant to take a lifetime annuity. PICA maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 5. Fully Benefit-Responsive Investment Contract (Continued)

The Plan's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Such events include the following:

1. Amendments to the Plan documents (including complete or partial plan termination or merger with another plan).
2. Changes to the Plan's prohibition or competing investment options or deletion of equity wash provisions.
3. Bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan.
4. The failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA.

The Plan Administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable. 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 it may not be less than 3%. Such interest rates are reviewed annually for resetting. The GIA does not permit the issuer to terminate the agreement prior to the scheduled maturity date.

Note 6. Tax Status

The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code (the Code) and therefore it is not currently eligible to receive a determination letter from the IRS. The Plan is required to operate in conformity with the Code to maintain its qualification under Section 403(b). The Plan Administrator believes that the Plan is operating in accordance with the applicable requirements of Section 403(b) of the Code and, therefore, believes the Plan is qualified and the related custodian accounts are tax exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken any significant uncertain tax positions that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 7. Related-Party and Parties-in-Interest Transactions

The Plan engages in transactions involving the acquisition and disposition of investments with the custodians, which are parties-in-interest with respect to the Plan. UBS Financial Services, Inc. and CapTrust Financial Advisors are also parties-in-interest with respect to the Plan and serve as the investment advisors of the Plan. These transactions and fees paid by the Plan to the custodians and financial advisors qualify as parties-in-interest transactions exempt under Section 408(b)(8) and are not prohibited by ERISA. Total amounts paid to the above entities amounted to approximately \$60,000 and \$27,000 for the years ended December 31, 2021 and 2020, respectively.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 8. Plan Termination

Although it has not expressed any intent to do so, the Plan Administrator, in consultation with the Health System's governing body, has the right at any time and under the Plan to discontinue its contributions to terminate the Plan subject to the applicable provisions of ERISA. In the event the Plan is terminated, participants would become 100% vested in their accounts.

Note 9. Reconciliation of Financial Statements to the Form 5500

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

	December 31	
	2021	2020
Net assets available for benefits per the financial statements	\$ 475,314,577	\$ 430,095,215
Differences in:		
Total employer contributions receivable	(293,647)	-
Total participant contributions receivable	(851,462)	(649,294)
Difference in notes receivable from participants	-	(26,134)
Investments – participant loans	10,220,913	11,480,197
Receivables – notes receivable from participants	(10,220,913)	(11,480,197)
Net assets per the Form 5500	<u>\$ 474,169,468</u>	<u>\$ 429,419,787</u>

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

	Years Ended December 31	
	2021	2020
Net increase in net assets available for benefits per the financial statements	\$ 45,219,362	\$ 25,388,358
Increase in employer contributions receivable	(293,647)	496,906
Increase in participants' contributions receivable	(202,168)	(87,902)
Other	26,134	(6,106)
Net income per the Form 5500	<u>\$ 44,749,681</u>	<u>\$ 25,791,256</u>

Nicklaus Children's Health System Retirement Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) December 31, 2021

Employer Identification Number: 45-3481327

Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, Maturity Value	Cost**	Current Value
		Guaranteed investment contract:		
	* Prudential Insurance Company of America	Guaranteed interest account		\$ 112,331,415
		Registered investment companies (mutual funds):		
	American Funds	American Funds EuroPacific Growth R4		42,267,114
	Columbia	Columbia Dividend Income Fund		30,219,758
	Invesco	Invesco Small Cap Growth Y Fund		12,013,437
	Metropolitan West	Metropolitan West Total Return Fund		29,950,107
	Mass Mutual	Mass Mutual Select Mid Growth Fund I		16,027,601
	MFS International	MFS Mid Cap Value Class R6		12,635,675
	Pioneer	Pioneer Fundamental Growth K Fund		42,725,895
	Vanguard	Vanguard Extended Market Index Admiral Fund		21,611,637
	Vanguard	Vanguard Institutional Index Fund		74,825,471
	Vanguard	Vanguard Total Bond Index Fund		20,189,976
	Vanguard	Vanguard Total Stock Admiral Fund		35,803,858
	Victory Sycamore	Victory Sycamore Small Company Opportunity I Fund		12,955,655
		Pooled separate accounts:		
	* Prudential Retirement Insurance and Annuity Company	Prudential IncomeFlex Target 60/40 Allocation Fund		390,956
		Participant loans:		
	* Participants	4.25% – 6.50%; maturing through 2036		10,220,913
				<u>\$ 474,169,468</u>

* Designates parties-in-interest.

** All investments are participant-directed; therefore, cost information has not been presented.

The above information has been certified by Prudential Trust Company and Prudential Insurance Company of America, the custodians, to be complete and accurate.

Nicklaus Children's Health System Retirement Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Plan Administrator
Nicklaus Children's Health System Retirement Plan

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

We have performed an audit of the financial statements of Nicklaus Children's Health System Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

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

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

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 financial statements section:

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

Basis for Opinion on the 2021 Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Other Matters

2021 Supplemental Schedule Required by ERISA

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

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

In our opinion:

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed 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 October 5, 2021, we indicated that (a) because of the significance of the information that 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Fort Lauderdale, Florida
October 7, 2022

Nicklaus Children's Health System Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value	\$ 351,617,140	\$ 307,145,946
Investments at contract value	112,331,415	110,819,778
	<u>463,948,555</u>	<u>417,965,724</u>
Receivables:		
Participants' contributions	851,462	649,294
Employer's contributions	293,647	-
Notes from participants	10,220,913	11,480,197
	<u>11,366,022</u>	<u>12,129,491</u>
Total assets	<u>475,314,577</u>	<u>430,095,215</u>
Net assets available for benefits	<u>\$ 475,314,577</u>	<u>\$ 430,095,215</u>

See notes to financial statements.

Nicklaus Children's Health System Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2021 and 2020

	2021	2020
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 42,083,363	\$ 46,227,860
Interest and dividends	7,757,410	6,856,380
	<u>49,840,773</u>	<u>53,084,240</u>
Interest income on notes receivable from participants	611,163	609,179
Contributions:		
Participants	19,628,708	16,991,009
Employer, net of forfeitures	2,244,745	1,740,217
Rollovers	981,985	1,676,098
Total additions	<u>73,307,374</u>	<u>74,100,743</u>
Deductions from net assets attributed to:		
Benefit paid to participants	28,026,139	48,665,430
Administrative expenses	59,812	26,927
Other deductions	2,061	20,028
Total deductions	<u>28,088,012</u>	<u>48,712,385</u>
Net increase in net assets available for benefits	45,219,362	25,388,358
Net assets available for benefits:		
Beginning of year	<u>430,095,215</u>	<u>404,706,857</u>
End of year	<u>\$ 475,314,577</u>	<u>\$ 430,095,215</u>

See notes to financial statements.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of Nicklaus Children's Health System Retirement Plan (the Plan) provides general information. Interested parties should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

General: The Plan, established January 1, 1985, is a defined contribution plan made available to all eligible employees of Variety Children's Hospital d/b/a Nicklaus Children's Hospital (the Hospital), Miami Children's Health System, Inc. d/b/a Nicklaus Children's Health System (the Health System), and Miami Children's Health System Foundation, Inc. d/b/a Nicklaus Children's Hospital Foundation (the Foundation) (collectively, the Participating Employers). Effective January 1, 2014, the Hospital amended and restated the Plan to transfer sponsorship of the Plan to the Health System (collectively the Plan Sponsor or the Company), and allow for eligible employees of the Health System and the Foundation to participate in the Plan. Concurrently, with the amendment, the Plan was renamed to the Miami Children's Health System Retirement Plan. Effective January 1, 2017, the Plan was renamed from Miami Children's Health System Retirement Plan to Nicklaus Children's Health System Retirement Plan.

The Health System is the Plan Administrator. The organization and compensation committee, along with the investment committee, are responsible for oversight of the Plan. Prudential Insurance Company of America (PICA) is the recordkeeper and the custodian for the Plan's investment in the guaranteed interest account and Prudential Trust Company is the custodian for all other plan investments.

Plan amendment: The Company elected to suspend employer discretionary matching contributions and the related true up effective April 30, 2020 and these were reinstated on March 1, 2021. On August 2, 2021, the Plan was amended to modify the annual 1% increase in the participant's automatic enrollment pretax deferral provision from a maximum of 6% to a maximum of 10%.

Contributions: For each plan year, the Company contributes to accounts of eligible participants who have completed one year of eligible service. Company contributions represent a percentage of all eligible pay for the year, at the Company's discretion, up to a maximum equal to the Internal Revenue Service (IRS) annual limitation. Contributions for the period from January 1, 2020 through April 30, 2020 included a 100% match of participant contributions up to 3% of eligible earnings. For the period from March 1, 2021 through December 31, 2021, contributions included a 100% match of participant contributions up to 1% of eligible earnings. For the years ended December 31, 2021 and 2020, the matching contributions, net of forfeitures, were approximately \$2.2 million and \$1.7 million, respectively. Eligible earnings are subject to IRS compensation limits, which for 2021 and 2020 was \$290,000 and \$285,000, respectively.

Unless a new participant elects otherwise, he or she will be automatically enrolled in the Plan at a contribution rate of 3% of eligible compensation. Likewise, any current participant who is not contributing at least 3% of eligible compensation to the Plan will automatically be escalated to a 3% contribution. Participant contributions will increase annually by 1% up to a maximum of 10%. Individuals who do not wish to participate in the Plan or wish to contribute to the Plan at a different level are required to opt out of the automatic enrollment or escalation feature each year. All employees are immediately eligible to make voluntary contributions to the Plan upon initial employment and execution of a contribution agreement up to a maximum equal to the IRS annual limitations and remain eligible until termination. For the years ended December 31, 2021 and 2020, participant contributions were subject to an overall annual limitation of \$19,500. Participants ages 50 or over were allowed to also contribute additional catch-up contributions of \$6,500 in 2021 and 2020.

The Plan also allows Roth participant deferrals.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Investment options: Participants direct their elective contributions into various investment options offered by the Plan, including a self-directed brokerage account option as defined by the Plan, and can change their investment options on a daily basis. The Company's contributions are allocated in the same manner as that of the participant's elective contributions. Participants may also transfer amounts from other qualified defined benefit or defined contribution plans to the Plan.

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

Vesting: Participants are immediately vested in their voluntary and rollover contributions and related investment earnings. Participants are fully vested after three years of service in the Company's matching and non-matching contributions made on or after January 1, 2007. A year of service is credited for each calendar year in which the employee completes 1,000 or more hours of service. However, if an active participant dies or becomes disabled prior to reaching the normal retirement age, the participant's account becomes 100% vested.

Forfeited accounts: Forfeiture accounts are established when participants terminate participation in the Plan before becoming fully vested in the Company's contribution under the Plan. Forfeitures are used to reduce the Company's contributions to the Plan or to pay plan expenses. If an employee is rehired by the Company before the completion of five consecutive breaks in service, any forfeited amount will be restored to the participant's company contribution account. A break in service is defined as a calendar year in which the employee is not credited with more than 500 hours of service. The accumulated forfeitures held by the Plan as of December 31, 2021 and 2020, were approximately \$256,000 and \$333,000, respectively, and forfeitures used to reduce company contributions for 2021 and 2020 were approximately \$112,000 and \$1,250,000, respectively.

Notes receivable from participants: Participants may borrow from their accounts up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Written spousal consent is required, as applicable, for all notes. The notes are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the Plan Administrator. The interest rate on outstanding notes as of December 31, 2021, ranges from 4.25% to 6.50% that mature through 2036. Principal and interest on outstanding notes are repaid semimonthly or biweekly through payroll deductions. Notes can also be repaid directly to Prudential Trust Company and the Prudential Insurance Company of America by the participants.

Payment of benefits: Participant's vested account balances are payable on termination, death, disability, and retirement. Generally, vested account balances not exceeding \$1,000 are distributed to participants in a single lump-sum payment after employment with the Company is terminated. As further described in the Plan document, participants have several options for receiving benefits including a lump-sum payment, installment payment or an annuity. Payments of benefits generally must begin by April 1 of the year after the participant reaches age 72 or, if later, April 1 of the year after the participant retires. In-service withdrawals are not permitted from participant or Company contribution accounts. Hardship withdrawals are generally not permitted by the Plan.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The accompanying financial statements have been prepared under the accrual basis of accounting.

Use of estimates: The preparation of financial statements, in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP), requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are 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. The Investment Committee of the Plan Sponsor determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for further discussion of fair value measurements.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement for the portion of the net assets available for benefits attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

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

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

Notes receivable from participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. The terms of repayment are within five years or over a reasonable period of time for the purchase of a participant's primary residence, as established by the Plan Administrator at the time of the loan. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make note repayments and the Plan Administrator deems the participant note to be in default, the participant note balance is reduced and a benefit payment is recorded based on the terms of the Plan.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Note origination fees are charged directly to the participant's account. Certain administrative costs for the Plan, including investment advisory and management fees have been paid by the Plan. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

Payment of benefits: Plan benefits are recorded when paid.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Subsequent events: The Plan evaluated events subsequent to December 31, 2021, and through October 7, 2022, the date on which the financial statements were available to be issued.

On April 1, 2022, Great-West Life & Annuity Insurance Company, the parent company of Empower Retirement, LLC acquired the full-service retirement business of Prudential Financial, Inc. which includes the custodians of the Plan. The Plan's assets will be transferred to Great-West Life & Annuity Insurance Company at a future date to be determined.

Note 3. Information Certified and Provided by Prudential Trust Company and Prudential Insurance Company of America (Custodians)

The following is a summary of the Plan's asset information as of December 31, 2021 and 2020, and for the years then ended, included in the Plan's financial statements and ERISA-required supplemental schedule that was prepared by or derived from information provided by Prudential Trust Company and Prudential Insurance Company of America (PICA), the custodians of the Plan, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodians that information provided to the Plan Administrator by the custodians related to the following assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to this information that appears throughout the financial statements and supplemental schedule related to the following assets:

	December 31	
	2021	2020
Investments at fair value:		
Registered investment companies (mutual funds)	\$ 351,226,184	\$ 306,872,292
Pooled separate account	390,956	273,654
Investments at contract value:		
Guaranteed interest account	\$ 112,331,415	\$ 110,819,778
Notes receivable from participants	\$ 10,220,913	\$ 11,480,197

The custodians have also certified to the completeness and accuracy of \$42,083,363 and \$46,227,860 of net appreciation in fair value of investments and \$8,368,573 and \$7,465,559 of dividends and interest related to the aforementioned plan assets for the years ended December 31, 2021 and 2020, respectively.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy 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

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

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

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

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

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

Pooled separate accounts: Valued at the NAV of shares in each account held by the Plan at year-end. The NAV is not a publicly-quoted price in an active market. The NAV, as provided by the insurance carrier, is used as a practical expedient to estimate fair value.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

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

Description	Assets of Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment companies (mutual funds)	\$ 351,226,184	\$ -	\$ -	\$ 351,226,184
	<u>\$ 351,226,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>351,226,184</u>
Investments measured at NAV (a)				390,956
Investments at fair value				<u>\$ 351,617,140</u>

Description	Assets of Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment companies (mutual funds)	\$ 306,872,292	\$ -	\$ -	\$ 306,872,292
	<u>\$ 306,872,292</u>	<u>\$ -</u>	<u>\$ -</u>	<u>306,872,292</u>
Investments measured at NAV (a)				273,654
Investments at fair value				<u>\$ 307,145,946</u>

(a) In accordance with the Fair Value Measurements topic, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The following table summarizes investments for which fair value is estimated using NAV per share (or its equivalent) as a practical expedient as of December 31, 2021 and 2020:

	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31 2021	December 31 2020			
Pooled separate accounts:					
Prudential IncomeFlex Target 60/40 Allocation Fund (b)	<u>\$ 390,956</u>	<u>\$ 273,654</u>	None	None	None

(b) The Fund objective is a balance between growth and conservation of capital through investments in a portfolio of mutual funds that provide exposure to equity and fixed income.

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits.

Note 5. Fully Benefit-Responsive Investment Contract

The guaranteed interest account (GIA) is an insurance annuity contract with PICA that provides participants with a death benefit, a guaranteed interest rate and the ability for the participant to take a lifetime annuity. PICA maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 5. Fully Benefit-Responsive Investment Contract (Continued)

The Plan's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Such events include the following:

1. Amendments to the Plan documents (including complete or partial plan termination or merger with another plan).
2. Changes to the Plan's prohibition or competing investment options or deletion of equity wash provisions.
3. Bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan.
4. The failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA.

The Plan Administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable. 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 it may not be less than 3%. Such interest rates are reviewed annually for resetting. The GIA does not permit the issuer to terminate the agreement prior to the scheduled maturity date.

Note 6. Tax Status

The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code (the Code) and therefore it is not currently eligible to receive a determination letter from the IRS. The Plan is required to operate in conformity with the Code to maintain its qualification under Section 403(b). The Plan Administrator believes that the Plan is operating in accordance with the applicable requirements of Section 403(b) of the Code and, therefore, believes the Plan is qualified and the related custodian accounts are tax exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken any significant uncertain tax positions that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 7. Related-Party and Parties-in-Interest Transactions

The Plan engages in transactions involving the acquisition and disposition of investments with the custodians, which are parties-in-interest with respect to the Plan. UBS Financial Services, Inc. and CapTrust Financial Advisors are also parties-in-interest with respect to the Plan and serve as the investment advisors of the Plan. These transactions and fees paid by the Plan to the custodians and financial advisors qualify as parties-in-interest transactions exempt under Section 408(b)(8) and are not prohibited by ERISA. Total amounts paid to the above entities amounted to approximately \$60,000 and \$27,000 for the years ended December 31, 2021 and 2020, respectively.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 8. Plan Termination

Although it has not expressed any intent to do so, the Plan Administrator, in consultation with the Health System's governing body, has the right at any time and under the Plan to discontinue its contributions to terminate the Plan subject to the applicable provisions of ERISA. In the event the Plan is terminated, participants would become 100% vested in their accounts.

Note 9. Reconciliation of Financial Statements to the Form 5500

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

	December 31	
	2021	2020
Net assets available for benefits per the financial statements	\$ 475,314,577	\$ 430,095,215
Differences in:		
Total employer contributions receivable	(293,647)	-
Total participant contributions receivable	(851,462)	(649,294)
Difference in notes receivable from participants	-	(26,134)
Investments – participant loans	10,220,913	11,480,197
Receivables – notes receivable from participants	(10,220,913)	(11,480,197)
Net assets per the Form 5500	<u>\$ 474,169,468</u>	<u>\$ 429,419,787</u>

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

	Years Ended December 31	
	2021	2020
Net increase in net assets available for benefits per the financial statements	\$ 45,219,362	\$ 25,388,358
Increase in employer contributions receivable	(293,647)	496,906
Increase in participants' contributions receivable	(202,168)	(87,902)
Other	26,134	(6,106)
Net income per the Form 5500	<u>\$ 44,749,681</u>	<u>\$ 25,791,256</u>

Nicklaus Children's Health System Retirement Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) December 31, 2021

Employer Identification Number: 45-3481327

Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, Maturity Value	Cost**	Current Value
		Guaranteed investment contract:		
	* Prudential Insurance Company of America	Guaranteed interest account		\$ 112,331,415
		Registered investment companies (mutual funds):		
	American Funds	American Funds EuroPacific Growth R4		42,267,114
	Columbia	Columbia Dividend Income Fund		30,219,758
	Invesco	Invesco Small Cap Growth Y Fund		12,013,437
	Metropolitan West	Metropolitan West Total Return Fund		29,950,107
	Mass Mutual	Mass Mutual Select Mid Growth Fund I		16,027,601
	MFS International	MFS Mid Cap Value Class R6		12,635,675
	Pioneer	Pioneer Fundamental Growth K Fund		42,725,895
	Vanguard	Vanguard Extended Market Index Admiral Fund		21,611,637
	Vanguard	Vanguard Institutional Index Fund		74,825,471
	Vanguard	Vanguard Total Bond Index Fund		20,189,976
	Vanguard	Vanguard Total Stock Admiral Fund		35,803,858
	Victory Sycamore	Victory Sycamore Small Company Opportunity I Fund		12,955,655
		Pooled separate accounts:		
	* Prudential Retirement Insurance and Annuity Company	Prudential IncomeFlex Target 60/40 Allocation Fund		390,956
		Participant loans:		
	* Participants	4.25% – 6.50%; maturing through 2036		10,220,913
				<u>\$ 474,169,468</u>

* Designates parties-in-interest.

** All investments are participant-directed; therefore, cost information has not been presented.

The above information has been certified by Prudential Trust Company and Prudential Insurance Company of America, the custodians, to be complete and accurate.

Nicklaus Children's Health System Retirement Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Plan Administrator
Nicklaus Children's Health System Retirement Plan

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

We have performed an audit of the financial statements of Nicklaus Children's Health System Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

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

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

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 financial statements section:

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

Basis for Opinion on the 2021 Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Other Matters

2021 Supplemental Schedule Required by ERISA

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

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

In our opinion:

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed 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 October 5, 2021, we indicated that (a) because of the significance of the information that 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Fort Lauderdale, Florida
October 7, 2022

Nicklaus Children's Health System Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value	\$ 351,617,140	\$ 307,145,946
Investments at contract value	112,331,415	110,819,778
	<u>463,948,555</u>	<u>417,965,724</u>
Receivables:		
Participants' contributions	851,462	649,294
Employer's contributions	293,647	-
Notes from participants	10,220,913	11,480,197
	<u>11,366,022</u>	<u>12,129,491</u>
Total assets	<u>475,314,577</u>	<u>430,095,215</u>
Net assets available for benefits	<u>\$ 475,314,577</u>	<u>\$ 430,095,215</u>

See notes to financial statements.

Nicklaus Children's Health System Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2021 and 2020

	2021	2020
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 42,083,363	\$ 46,227,860
Interest and dividends	7,757,410	6,856,380
	<u>49,840,773</u>	<u>53,084,240</u>
Interest income on notes receivable from participants	611,163	609,179
Contributions:		
Participants	19,628,708	16,991,009
Employer, net of forfeitures	2,244,745	1,740,217
Rollovers	981,985	1,676,098
Total additions	<u>73,307,374</u>	<u>74,100,743</u>
Deductions from net assets attributed to:		
Benefit paid to participants	28,026,139	48,665,430
Administrative expenses	59,812	26,927
Other deductions	2,061	20,028
Total deductions	<u>28,088,012</u>	<u>48,712,385</u>
Net increase in net assets available for benefits	45,219,362	25,388,358
Net assets available for benefits:		
Beginning of year	<u>430,095,215</u>	<u>404,706,857</u>
End of year	<u>\$ 475,314,577</u>	<u>\$ 430,095,215</u>

See notes to financial statements.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of Nicklaus Children's Health System Retirement Plan (the Plan) provides general information. Interested parties should refer to the Plan document for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

General: The Plan, established January 1, 1985, is a defined contribution plan made available to all eligible employees of Variety Children's Hospital d/b/a Nicklaus Children's Hospital (the Hospital), Miami Children's Health System, Inc. d/b/a Nicklaus Children's Health System (the Health System), and Miami Children's Health System Foundation, Inc. d/b/a Nicklaus Children's Hospital Foundation (the Foundation) (collectively, the Participating Employers). Effective January 1, 2014, the Hospital amended and restated the Plan to transfer sponsorship of the Plan to the Health System (collectively the Plan Sponsor or the Company), and allow for eligible employees of the Health System and the Foundation to participate in the Plan. Concurrently, with the amendment, the Plan was renamed to the Miami Children's Health System Retirement Plan. Effective January 1, 2017, the Plan was renamed from Miami Children's Health System Retirement Plan to Nicklaus Children's Health System Retirement Plan.

The Health System is the Plan Administrator. The organization and compensation committee, along with the investment committee, are responsible for oversight of the Plan. Prudential Insurance Company of America (PICA) is the recordkeeper and the custodian for the Plan's investment in the guaranteed interest account and Prudential Trust Company is the custodian for all other plan investments.

Plan amendment: The Company elected to suspend employer discretionary matching contributions and the related true up effective April 30, 2020 and these were reinstated on March 1, 2021. On August 2, 2021, the Plan was amended to modify the annual 1% increase in the participant's automatic enrollment pretax deferral provision from a maximum of 6% to a maximum of 10%.

Contributions: For each plan year, the Company contributes to accounts of eligible participants who have completed one year of eligible service. Company contributions represent a percentage of all eligible pay for the year, at the Company's discretion, up to a maximum equal to the Internal Revenue Service (IRS) annual limitation. Contributions for the period from January 1, 2020 through April 30, 2020 included a 100% match of participant contributions up to 3% of eligible earnings. For the period from March 1, 2021 through December 31, 2021, contributions included a 100% match of participant contributions up to 1% of eligible earnings. For the years ended December 31, 2021 and 2020, the matching contributions, net of forfeitures, were approximately \$2.2 million and \$1.7 million, respectively. Eligible earnings are subject to IRS compensation limits, which for 2021 and 2020 was \$290,000 and \$285,000, respectively.

Unless a new participant elects otherwise, he or she will be automatically enrolled in the Plan at a contribution rate of 3% of eligible compensation. Likewise, any current participant who is not contributing at least 3% of eligible compensation to the Plan will automatically be escalated to a 3% contribution. Participant contributions will increase annually by 1% up to a maximum of 10%. Individuals who do not wish to participate in the Plan or wish to contribute to the Plan at a different level are required to opt out of the automatic enrollment or escalation feature each year. All employees are immediately eligible to make voluntary contributions to the Plan upon initial employment and execution of a contribution agreement up to a maximum equal to the IRS annual limitations and remain eligible until termination. For the years ended December 31, 2021 and 2020, participant contributions were subject to an overall annual limitation of \$19,500. Participants ages 50 or over were allowed to also contribute additional catch-up contributions of \$6,500 in 2021 and 2020.

The Plan also allows Roth participant deferrals.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Investment options: Participants direct their elective contributions into various investment options offered by the Plan, including a self-directed brokerage account option as defined by the Plan, and can change their investment options on a daily basis. The Company's contributions are allocated in the same manner as that of the participant's elective contributions. Participants may also transfer amounts from other qualified defined benefit or defined contribution plans to the Plan.

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

Vesting: Participants are immediately vested in their voluntary and rollover contributions and related investment earnings. Participants are fully vested after three years of service in the Company's matching and non-matching contributions made on or after January 1, 2007. A year of service is credited for each calendar year in which the employee completes 1,000 or more hours of service. However, if an active participant dies or becomes disabled prior to reaching the normal retirement age, the participant's account becomes 100% vested.

Forfeited accounts: Forfeiture accounts are established when participants terminate participation in the Plan before becoming fully vested in the Company's contribution under the Plan. Forfeitures are used to reduce the Company's contributions to the Plan or to pay plan expenses. If an employee is rehired by the Company before the completion of five consecutive breaks in service, any forfeited amount will be restored to the participant's company contribution account. A break in service is defined as a calendar year in which the employee is not credited with more than 500 hours of service. The accumulated forfeitures held by the Plan as of December 31, 2021 and 2020, were approximately \$256,000 and \$333,000, respectively, and forfeitures used to reduce company contributions for 2021 and 2020 were approximately \$112,000 and \$1,250,000, respectively.

Notes receivable from participants: Participants may borrow from their accounts up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Written spousal consent is required, as applicable, for all notes. The notes are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined quarterly by the Plan Administrator. The interest rate on outstanding notes as of December 31, 2021, ranges from 4.25% to 6.50% that mature through 2036. Principal and interest on outstanding notes are repaid semimonthly or biweekly through payroll deductions. Notes can also be repaid directly to Prudential Trust Company and the Prudential Insurance Company of America by the participants.

Payment of benefits: Participant's vested account balances are payable on termination, death, disability, and retirement. Generally, vested account balances not exceeding \$1,000 are distributed to participants in a single lump-sum payment after employment with the Company is terminated. As further described in the Plan document, participants have several options for receiving benefits including a lump-sum payment, installment payment or an annuity. Payments of benefits generally must begin by April 1 of the year after the participant reaches age 72 or, if later, April 1 of the year after the participant retires. In-service withdrawals are not permitted from participant or Company contribution accounts. Hardship withdrawals are generally not permitted by the Plan.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Basis of presentation: The accompanying financial statements have been prepared under the accrual basis of accounting.

Use of estimates: The preparation of financial statements, in conformity with generally accepted accounting principles in the United States of America (U.S. GAAP), requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are 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. The Investment Committee of the Plan Sponsor determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for further discussion of fair value measurements.

Investments held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement for the portion of the net assets available for benefits attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

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

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

Notes receivable from participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. The terms of repayment are within five years or over a reasonable period of time for the purchase of a participant's primary residence, as established by the Plan Administrator at the time of the loan. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make note repayments and the Plan Administrator deems the participant note to be in default, the participant note balance is reduced and a benefit payment is recorded based on the terms of the Plan.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Note origination fees are charged directly to the participant's account. Certain administrative costs for the Plan, including investment advisory and management fees have been paid by the Plan. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

Payment of benefits: Plan benefits are recorded when paid.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Subsequent events: The Plan evaluated events subsequent to December 31, 2021, and through October 7, 2022, the date on which the financial statements were available to be issued.

On April 1, 2022, Great-West Life & Annuity Insurance Company, the parent company of Empower Retirement, LLC acquired the full-service retirement business of Prudential Financial, Inc. which includes the custodians of the Plan. The Plan's assets will be transferred to Great-West Life & Annuity Insurance Company at a future date to be determined.

Note 3. Information Certified and Provided by Prudential Trust Company and Prudential Insurance Company of America (Custodians)

The following is a summary of the Plan's asset information as of December 31, 2021 and 2020, and for the years then ended, included in the Plan's financial statements and ERISA-required supplemental schedule that was prepared by or derived from information provided by Prudential Trust Company and Prudential Insurance Company of America (PICA), the custodians of the Plan, and furnished to the Plan Administrator. The Plan Administrator has obtained certifications from the custodians that information provided to the Plan Administrator by the custodians related to the following assets is complete and accurate. Accordingly, as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to this information that appears throughout the financial statements and supplemental schedule related to the following assets:

	December 31	
	2021	2020
Investments at fair value:		
Registered investment companies (mutual funds)	\$ 351,226,184	\$ 306,872,292
Pooled separate account	390,956	273,654
Investments at contract value:		
Guaranteed interest account	\$ 112,331,415	\$ 110,819,778
Notes receivable from participants	\$ 10,220,913	\$ 11,480,197

The custodians have also certified to the completeness and accuracy of \$42,083,363 and \$46,227,860 of net appreciation in fair value of investments and \$8,368,573 and \$7,465,559 of dividends and interest related to the aforementioned plan assets for the years ended December 31, 2021 and 2020, respectively.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy 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

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

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

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

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

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

Pooled separate accounts: Valued at the NAV of shares in each account held by the Plan at year-end. The NAV is not a publicly-quoted price in an active market. The NAV, as provided by the insurance carrier, is used as a practical expedient to estimate fair value.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

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

Description	Assets of Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Registered investment companies (mutual funds)	\$ 351,226,184	\$ -	\$ -	\$ 351,226,184
	<u>\$ 351,226,184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>351,226,184</u>
Investments measured at NAV (a)				390,956
Investments at fair value				<u>\$ 351,617,140</u>

Description	Assets of Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Registered investment companies (mutual funds)	\$ 306,872,292	\$ -	\$ -	\$ 306,872,292
	<u>\$ 306,872,292</u>	<u>\$ -</u>	<u>\$ -</u>	<u>306,872,292</u>
Investments measured at NAV (a)				273,654
Investments at fair value				<u>\$ 307,145,946</u>

(a) In accordance with the Fair Value Measurements topic, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

The following table summarizes investments for which fair value is estimated using NAV per share (or its equivalent) as a practical expedient as of December 31, 2021 and 2020:

	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31 2021	December 31 2020			
Pooled separate accounts:					
Prudential IncomeFlex Target 60/40 Allocation Fund (b)	<u>\$ 390,956</u>	<u>\$ 273,654</u>	None	None	None

(b) The Fund objective is a balance between growth and conservation of capital through investments in a portfolio of mutual funds that provide exposure to equity and fixed income.

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits.

Note 5. Fully Benefit-Responsive Investment Contract

The guaranteed interest account (GIA) is an insurance annuity contract with PICA that provides participants with a death benefit, a guaranteed interest rate and the ability for the participant to take a lifetime annuity. PICA maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 5. Fully Benefit-Responsive Investment Contract (Continued)

The Plan's ability to receive amounts due in accordance with the fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Such events include the following:

1. Amendments to the Plan documents (including complete or partial plan termination or merger with another plan).
2. Changes to the Plan's prohibition or competing investment options or deletion of equity wash provisions.
3. Bankruptcy of the Plan Sponsor or other Plan Sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan.
4. The failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA.

The Plan Administrator does not believe that the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable. 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 it may not be less than 3%. Such interest rates are reviewed annually for resetting. The GIA does not permit the issuer to terminate the agreement prior to the scheduled maturity date.

Note 6. Tax Status

The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code (the Code) and therefore it is not currently eligible to receive a determination letter from the IRS. The Plan is required to operate in conformity with the Code to maintain its qualification under Section 403(b). The Plan Administrator believes that the Plan is operating in accordance with the applicable requirements of Section 403(b) of the Code and, therefore, believes the Plan is qualified and the related custodian accounts are tax exempt.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken any significant uncertain tax positions that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 7. Related-Party and Parties-in-Interest Transactions

The Plan engages in transactions involving the acquisition and disposition of investments with the custodians, which are parties-in-interest with respect to the Plan. UBS Financial Services, Inc. and CapTrust Financial Advisors are also parties-in-interest with respect to the Plan and serve as the investment advisors of the Plan. These transactions and fees paid by the Plan to the custodians and financial advisors qualify as parties-in-interest transactions exempt under Section 408(b)(8) and are not prohibited by ERISA. Total amounts paid to the above entities amounted to approximately \$60,000 and \$27,000 for the years ended December 31, 2021 and 2020, respectively.

Nicklaus Children's Health System Retirement Plan

Notes to Financial Statements

Note 8. Plan Termination

Although it has not expressed any intent to do so, the Plan Administrator, in consultation with the Health System's governing body, has the right at any time and under the Plan to discontinue its contributions to terminate the Plan subject to the applicable provisions of ERISA. In the event the Plan is terminated, participants would become 100% vested in their accounts.

Note 9. Reconciliation of Financial Statements to the Form 5500

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

	December 31	
	2021	2020
Net assets available for benefits per the financial statements	\$ 475,314,577	\$ 430,095,215
Differences in:		
Total employer contributions receivable	(293,647)	-
Total participant contributions receivable	(851,462)	(649,294)
Difference in notes receivable from participants	-	(26,134)
Investments – participant loans	10,220,913	11,480,197
Receivables – notes receivable from participants	(10,220,913)	(11,480,197)
Net assets per the Form 5500	<u>\$ 474,169,468</u>	<u>\$ 429,419,787</u>

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

	Years Ended December 31	
	2021	2020
Net increase in net assets available for benefits per the financial statements	\$ 45,219,362	\$ 25,388,358
Increase in employer contributions receivable	(293,647)	496,906
Increase in participants' contributions receivable	(202,168)	(87,902)
Other	26,134	(6,106)
Net income per the Form 5500	<u>\$ 44,749,681</u>	<u>\$ 25,791,256</u>

Nicklaus Children's Health System Retirement Plan

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) December 31, 2021

Employer Identification Number: 45-3481327

Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, Maturity Value	Cost**	Current Value
		Guaranteed investment contract:		
	* Prudential Insurance Company of America	Guaranteed interest account		\$ 112,331,415
		Registered investment companies (mutual funds):		
	American Funds	American Funds EuroPacific Growth R4		42,267,114
	Columbia	Columbia Dividend Income Fund		30,219,758
	Invesco	Invesco Small Cap Growth Y Fund		12,013,437
	Metropolitan West	Metropolitan West Total Return Fund		29,950,107
	Mass Mutual	Mass Mutual Select Mid Growth Fund I		16,027,601
	MFS International	MFS Mid Cap Value Class R6		12,635,675
	Pioneer	Pioneer Fundamental Growth K Fund		42,725,895
	Vanguard	Vanguard Extended Market Index Admiral Fund		21,611,637
	Vanguard	Vanguard Institutional Index Fund		74,825,471
	Vanguard	Vanguard Total Bond Index Fund		20,189,976
	Vanguard	Vanguard Total Stock Admiral Fund		35,803,858
	Victory Sycamore	Victory Sycamore Small Company Opportunity I Fund		12,955,655
		Pooled separate accounts:		
	* Prudential Retirement Insurance and Annuity Company	Prudential IncomeFlex Target 60/40 Allocation Fund		390,956
		Participant loans:		
	* Participants	4.25% – 6.50%; maturing through 2036		10,220,913
				<u>\$ 474,169,468</u>

* Designates parties-in-interest.

** All investments are participant-directed; therefore, cost information has not been presented.

The above information has been certified by Prudential Trust Company and Prudential Insurance Company of America, the custodians, to be complete and accurate.