

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>ETC HOTELS 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1998</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>95-4398775</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>310-859-9366</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>721110</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1998</u>		2b Employer Identification Number (EIN) <u>95-4398775</u>		2c Plan Sponsor's telephone number <u>310-859-9366</u>		2d Business code (see instructions) <u>721110</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>01/01/1998</u>											
2b Employer Identification Number (EIN) <u>95-4398775</u>											
2c Plan Sponsor's telephone number <u>310-859-9366</u>											
2d Business code (see instructions) <u>721110</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>E.T. WHITEHALL SANTA MONICA PARTNERS, L.P.</u> <u>9950 SANTA MONICA BLVD</u> <u>BEVERLY HILLS, CA 90212</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.	10/17/2022	JANET JACOBS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	450
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)	232
a(2) Total number of active participants at the end of the plan year		6a(2)	514
b Retired or separated participants receiving benefits.....		6b	3
c Other retired or separated participants entitled to future benefits		6c	136
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	653
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	3
f Total. Add lines 6d and 6e		6f	656
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	435
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	5
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3B 3H 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</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 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 ETC HOTELS 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 E.T. WHITEHALL SANTA MONICA PARTNERS, L.P.	D Employer Identification Number (EIN) 95-4398775	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	69571	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

BEACON POINTE ADVISORS LLC

27-0636826

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	65130	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

STRATEGIC ADVISORS, INC.

04-2654524

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	9548	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AF EUROPAC GROWTH R5 - AMERICAN FU 95-2566717	0.05%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BARON GROWTH INST - DST SYSTEMS IN 43-1581814	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DH SMALL MID CAP I - DIAMOND HILL 325 JOHN H. MCCONNELL BOULEVARD, SUITE 200 COLUMBUS, OH 43215	0.10%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DL TOTAL RTN BOND I - U.S. BANCORP 615 EAST MICHIGAN STREET, MILWAUKEE, WISCONSIN 53202 MILWAUKEE, WI 53201	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FMI INTERNATIONAL - U.S. BANCORP F 615 EAST MICHIGAN STREET, MILWAUKEE, WISCONSIN 53202 MILWAUKEE, WI 53201	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HARBOR LCV INST - HARBOR SERVICES 34-1953399	0.10%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS DIVRS DIVD R5 - INVESCO INVES 11 GREENWAY PLAZA, SUITE 100 HOUSTON, TX 77046	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIONEER FDMTL GRTH Y - BNY MELLON 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TMPL GLOBAL BOND ADV - FRANKLIN TE	0.15%	
94-3167260		

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration		DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2021 This Form is Open to Public Inspection.	
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021					
A Name of plan ETC HOTELS 401(K) PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 E.T. WHITEHALL SANTA MONICA PARTNERS, L.P.				D Employer Identification Number (EIN) 95-4398775	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: PUTNAM STABLE VALUE					
b Name of sponsor of entity listed in (a): PUTNAM FIDUCIARY TRUST COMPANY					
c EIN-PN 04-3159710-202		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 467860	
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)	
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	

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 <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>ETC HOTELS 401(K) PLAN</u>	B Three-digit plan number (PN) <u>001</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>E.T. WHITEHALL SANTA MONICA PARTNERS, L.P.</u>	D Employer Identification Number (EIN) <u>95-4398775</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	87926	71673
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	588965	636182
(9) Value of interest in common/collective trusts	1c(9)	1009573	467860
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	24909254	25912842
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other.....	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	26595718	27088557

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	26595718	27088557
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	687952	
(B) Participants	2a(1)(B)	1237688	
(C) Others (including rollovers).....	2a(1)(C)	190114	
(2) Noncash contributions.....	2a(2)	0	2115754
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	20	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	49577	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		49597
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	700999
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	700999	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		700999
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	0
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	0
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		21646
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		2157777
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		5045773
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	4376200	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		4376200
f Corrective distributions (see instructions).....	2f		3709
g Certain deemed distributions of participant loans (see instructions).....	2g		28777
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	9548	
(4) Other.....	2i(4)	134700	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		144248
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4552934
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		492839
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: ARMANINO LLP

(2) EIN: 95-6214841

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		38440

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

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>ETC HOTELS 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>E.T. WHITEHALL SANTA MONICA PARTNERS, L.P.</u>	D Employer Identification Number (EIN) <u>95-4398775</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

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

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

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

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

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

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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

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

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

ETC Hotels 401(k) Plan

(formerly known as Shutters on the Beach 401(k) Plan)

Financial Statements
and Supplemental Schedules

December 31, 2021 and 2020
and For the Year Ended December 31, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Investment Committee
ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Beverly Hills, California

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 ETC Hotels 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

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

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

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of ETC Hotels 401(k) 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ETC Hotels 401(k) Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ETC Hotels 401(k) 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 ETC Hotels 401(k) 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 accounting principles generally accepted in the United States of America.

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

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

Other Matter - 2021 Supplemental Schedules Required by ERISA

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

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

In our opinion:

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of ETC Hotels 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 4, 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Armanino LLP

Armanino^{LLP}
Dallas, Texas

October 14, 2022

ETC Hotels 401(k) Plan
(formerly known as Shuttters on the Beach 401(k) Plan)
Statements of Net Assets Available For Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at fair value		
Mutual funds, at fair value	\$ 25,984,515	\$ 24,997,180
Collective investment trust, at estimated fair value	<u>467,860</u>	<u>1,009,573</u>
Total investments at fair value	<u>26,452,375</u>	<u>26,006,753</u>
Receivables		
Notes receivable from participants	<u>636,182</u>	<u>588,965</u>
Total receivables	<u>636,182</u>	<u>588,965</u>
 Total assets	 27,088,557	 26,595,718
LIABILITIES		
Excess contributions payable	<u>1,569</u>	<u>-</u>
 Net assets available for benefits	 <u><u>\$ 27,086,988</u></u>	 <u><u>\$ 26,595,718</u></u>

The accompanying notes are an integral part of these financial statements.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions to net assets attributed to

Contributions

Employee	\$ 1,236,119
Employer	687,952
Rollovers	<u>190,114</u>
Total contributions	<u>2,114,185</u>

Investment income

Dividends and interest	722,607
Net appreciation in fair value of investments	<u>2,157,834</u>
Total investment income	<u>2,880,441</u>

Interest income on notes receivable from participants	<u>49,577</u>
---	---------------

Total additions to net assets	<u>5,044,203</u>
-------------------------------	------------------

Deductions from net assets attributed to

Benefits paid to participants	4,408,685
Administrative expenses	<u>144,248</u>
Total deductions from net assets	<u>4,552,933</u>

Net increase in net assets available for benefits	491,270
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Net assets available for benefits, beginning of year	<u>26,595,718</u>
--	-------------------

Net assets available for benefits, end of year	<u><u>\$ 27,086,988</u></u>
--	-----------------------------

The accompanying notes are an integral part of these financial statements.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN

The following description of ETC Hotels 401(k) Plan (formerly known as Shutters on the Beach 401(k) Plan (the "Plan")) provides only general information. Participants should refer to the plan documents for a more complete description of the Plan's provisions.

General

The Plan, a defined contribution plan sponsored by ET Whitehall Santa Monica Partners, L.P. ("Plan Sponsor") pursuant to Section 401(k) and related provisions of the Internal Revenue Code (IRC), was established on January 1, 1998 and most recently restated on May 25, 2021. The Plan is designed to provide participants with a means to defer a portion of their compensation for retirement and to provide benefits in the event of disability, death, termination or financial hardship. The Plan covers all employees of the Company who meet certain eligibility requirements as defined by the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and subsequent laws.

Effective January 31, 2020, Casa Del Mar 401(k) Plan and Edward Thomas Management Company 401(k) Plan merged into the Shutters on the Beach 401(k) Plan. The Plan sponsors (collectively, the "Company" or "Employer") of all three affected plans are under common ownership. The surviving plan was renamed, as amended, ETC Hotels 401(k) Plan. As a result of the merger, \$11,958,958 of assets were transferred into the Plan.

Effective March 27, 2020, the Plan administratively adopted the provisions of the Coronavirus Aid, Relief and Economic Security Act (CARES) Act related to participant loans and distributions. The Company has until December 31, 2025, to amend the Plan for changes allowed by the CARES Act. The Plan has not been formally amended to adopt these provision as of December 31, 2021.

Plan administration

The Company is the administrator of the Plan and, as such, carries out the duties imposed by ERISA. The Company has delegated certain responsibilities for the operation and administration of the Plan. Fidelity Management Trust Company ("Trustee") is the trustee and asset custodian of the Plan and is responsible for executing transactions related to the Plan's investments. An affiliate of the Trustee, Fidelity Workplace Services LLC is the Plan's record keeper and is responsible for maintaining participants' accounts and executing participant-initiated transactions.

Eligibility

Employees covered under the Plan include all employees except those who are union employees, nonresident aliens, on-call employees, seasonal employees and temporary employees. Covered employees are eligible to participate in the Plan upon reaching age 21 and completing three months of service.

ETC Hotels 401(k) Plan
(formerly known as Shuttters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN (continued)

Contributions

Participants may elect to contribute through payroll deductions amounts up to 100% of their annual compensation as defined by the Plan, on a tax-deferred basis, and the maximum amount allowed by the IRC, which was \$19,500 for 2021. Participants over the age of 50 may also contribute an additional \$6,500 catch-up contribution to the Plan for 2021.

Participants are permitted to rollover contributions, as defined in the Plan, from other qualified employer-sponsored retirement plans. All participant contributions are paid to the Trustee for investment in the appropriate investment fund or portfolio in accordance with the participant's directives and the terms of the Plan. The Company may make non-elective profit sharing contributions for eligible employees, as defined, who are actively employed at the end of the Plan year. There were no non-elective profit sharing contributions made for 2021. The Company may also make a discretionary matching contribution. During the Plan year ended December 31, 2021, the Company made discretionary matching contributions equal to 100% of a participant's salary deferrals that do not exceed 5% of their eligible compensation.

Participant accounts

Each participant's account is credited with the participant's contributions (including rollovers from the participant's previous plan), and an allocation of (a) the Company's non-elective profit sharing contributions or discretionary matching contributions, if applicable; and (b) Plan earnings or losses, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investments of all funds in the Plan.

Vesting

Participants are immediately vested in their contributions, including rollover contributions, plus actual earnings or losses thereon.

The vesting schedule for all types of Employer contributions is as follows:

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0 %
1	25 %
2	50 %
3	75 %
4	100 %

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN (continued)

Vesting (continued)

For vesting purposes, years of service with ET Whitehall Seascape, LLC, ET Whitehall Santa Monica Partners, L.P., The Edward Thomas Management Company, and ETC Bayside, LLC, all under common ownership, count as years of service with the Company. A participant becomes 100% vested upon normal retirement, death, or total and permanent disability.

Notes receivable from participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participants' accounts and bear interest at a fixed rate that ranges between 4.25% and 6.50% as of December 31, 2021. The repayment of principal plus interest is generally required by the Plan to be made through payroll deductions over five years unless the loan is used for the purchase of a primary residence.

Payment of benefits

Distributions and withdrawals are payable upon retirement, termination, financial hardship, disability, or death. If a terminated participant's vested account balance is equal to or less than \$1,000, the Plan Sponsor may distribute the account to the participant in a lump-sum cash payment without the participant's consent unless a direct rollover into another qualified benefit plan is requested. If the terminated participant's vested account balance is greater than \$1,000 but \$5,000 or less, the Plan Sponsor may distribute the account to the participant by rolling the amount over into an individual retirement account designated by the plan administrator without the participant's consent. If the account balance is greater than \$5,000, the participant can consent to either a distribution paid in the form of a lump-sum cash payment, a direct rollover into another qualified plan, or postpone payment to a later date and remain in the Plan as described in the Plan documents.

Administrative expenses

Certain administrative expenses of the Plan were paid directly by the Company. The Company does not expect reimbursement from the Plan for such administrative expenses. Loan set-up and maintenance fees are paid by the individual participants receiving a loan. Investment fees, which may vary according to the individual funds selected, are deducted directly from participants' investment returns. Participants should refer to the prospectus of the individual investment funds for further details on individual investment fees.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent liabilities. Accordingly, actual results could differ from those estimates.

Risks and uncertainties

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

Investment valuation and income recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Contributions and contributions receivable

Participant contributions are recorded based on the date the contributions or loan repayments have been separated from a participant's pay, which is the pay date. The Plan records receivables for participants' contributions based upon the contribution recognized, less amounts received by the Plan as of the last day of the Plan year. Discretionary Employer matching and non-elective contributions, if any, are recorded in the year they are earned.

Rollover contributions from participants are recorded based on the date the rollover contributions have been received by the Trustee.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Notes receivable from participants

Notes receivable from participants represent loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits

Benefits are recorded when paid.

Forfeited accounts

Forfeitures are composed of unvested balances at the time of distributions or five years of break in service. Forfeited accounts are used to reduce Company contributions. During the year ended December 31, 2021, \$946 of forfeitures were used to reduce Plan expenses. As of December 31, 2021 and 2020, there was \$71,473 and \$22,052 in forfeited amounts, respectively.

Administrative expenses

Administrative expenses are recorded when incurred.

Subsequent events

The Plan has evaluated subsequent events through October 14, 2022, the date the financial statements were available to be issued. Plan management is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

3. FAIR VALUE MEASUREMENTS

Accounting standards define fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- *Level 1* - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

3. FAIR VALUE MEASUREMENTS (continued)

- *Level 2* - inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities; or
- *Level 3* - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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

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

Mutual funds: 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. 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.

Collective investment trust: Putnam Stable Value Fund is a collective investment trust, which invests primarily in investment contracts. These include conventional guaranteed investment contracts, synthetic investment contracts, and wrap contracts. Guaranteed investment contracts are valued using a discounted cash flow methodology where the individual contract cash flows are discounted at the prevailing interpolated yield curve rate as of year-end. Synthetic contracts include short-term investments that are stated at contract value, which approximates fair value and fixed income investments which are valued by the contract issuer or its affiliated external asset manager on the basis of valuations furnished by independent pricing services. A third party issues a wrap contract that provides for participant transactions to be executed at contract value. The collective investment trust uses a NAV as a practical expedient to fair value.

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

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

3. FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments, by type, at fair value as of December 31, 2021:

Fair Value Measurements Using Input Type	Level 1	Level 2	Level 3	Total
Mutual funds, at fair value	<u>\$ 25,984,515</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 25,984,515
Investments measured at NAV (*)				<u>467,860</u>
				<u>\$ 26,452,375</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's investments, by type, at fair value as of December 31, 2020:

Fair Value Measurements Using Input Type	Level 1	Level 2	Level 3	Total
Mutual funds, at fair value	<u>\$ 24,997,180</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 24,997,180
Investments measured at NAV (*)				<u>1,009,573</u>
				<u>\$ 26,006,753</u>

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) 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 statements of net assets available for benefits.

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2021. There are no participant redemption restrictions for these investments; the redemption notice period is only applicable to the Plan.

Type	Estimated Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)/Notice
Putnam Stable Value Fund	\$ 467,860	N/A	Daily

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

3. FAIR VALUE MEASUREMENTS (continued)

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2020. There are no participant redemption restrictions for these investments; the redemption notice period is only applicable to the Plan.

Type	Estimated Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)/Notice
Putnam Stable Value Fund	\$ 1,009,573	N/A	Daily

4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan administrator, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of ERISA. Accordingly, the Trustee has certified to the completeness and accuracy of:

- Investments and notes receivable from participants as shown in the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020;
- Investment income and interest income on notes receivable from participants as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2021, and;
- Investments and notes receivable from participants reflected on the schedule of assets (held at end of year) as of December 31, 2021.

Accordingly, as requested by the plan administrator, the Plan's auditor performed no procedures on the certified information other than to agree the certified information to the related information included in the financial statements and schedule of assets (held at end of year).

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

ERISA defines party-in-interest similar to a related party under accounting standards, except that ERISA's definition is broader and includes all entities and individuals that provide services to the Plan; however, these entities may not necessarily be related parties. Plan management did not identify any related parties to the Plan that were not also considered to be party-in-interest. The Plan did not enter into any material related party transactions during the plan year related to compensation, arrangements, expense allowances or similar items.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS (continued)

Parties-in-interest are defined by ERISA as any fiduciary of the Plan, any party rendering services to the Plan, the Employer, and certain others. As such, transactions conducted by the Trustee qualify as party-in-interest transactions. In addition, the Plan sponsor pays certain fees and expenses on behalf of the Plan. These transactions qualify as party-in-interest transactions permitted under provisions of ERISA. Certain investments offered under the Plan are managed by Fidelity or one of its affiliates. Fidelity is the Trustee and recordkeeper as defined by the Plan, and therefore these transactions qualify as exempt party-in-interest transactions.

Notes receivable from participants and the related interest income are also considered party-in-interest transactions. The Trustee retains as compensation for services provided to the Plan, any interest on amounts earned while certain transactions are pending. This applies to both contributions and distributions. Earnings are at institutional money market rates.

6. TAX STATUS

The Plan has adopted the Fidelity Profit Sharing/401(k) Plan Volume Submitter Plan No. 17. The Internal Revenue Service has informed Fidelity by a letter dated June 30, 2020, that this Plan is designed in accordance with applicable sections of the IRC, and any employer adopting this form of the volume submitter plan will be considered to have a plan qualified under applicable sections of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

7. PLAN TERMINATION

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

8. FORM 5500 RECONCILIATION

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2021 and 2020 to Form 5500:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per financial statements	\$ 27,086,988	\$ 26,595,718
Excess contributions payable	<u>1,569</u>	<u>-</u>
Net assets per Form 5500	<u><u>\$ 27,088,557</u></u>	<u><u>\$ 26,595,718</u></u>

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

8. FORM 5500 RECONCILIATION (continued)

The following is a reconciliation of net increase in assets available for benefits per the financial statements for the year ended December 31, 2021 to Form 5500:

Net increase in assets available for benefits per financial statements	\$ 491,270
Current year employee contributions receivable	<u>1,569</u>
Net increase in assets available for benefits per Form 5500	<u><u>\$ 492,839</u></u>

SUPPLEMENTAL SCHEDULES

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
EIN: 95-4398775; Plan: 001
Schedule H, Part IV, Line 4(a) - Schedule of Delinquent Participant Contributions
December 31, 2021

Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments are included:	Total that Constitutes Nonexempt Prohibited Transactions				Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP		
☒	\$ 32,370	\$ 6,070	\$ -	\$ -	

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
EIN: 95-4398775; Plan: 001
Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2021

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Fidelity 500 Index Fund	Mutual Fund	**	\$ 486,688
*	Fidelity Small Cap Index	Mutual Fund	**	119,281
	Invesco Diversified Dividend R5	Mutual Fund	**	104,730
	Vanguard Total Bond Market Admin	Mutual Fund	**	255,041
	Templeton Global Bond Advantage	Mutual Fund	**	25,224
	Vanguard REIT Index Admin	Mutual Fund	**	94,320
	American Funds EuroPac Growth R5	Mutual Fund	**	55,579
	Vanguard Emerging Stock Index Admiral	Mutual Fund	**	129,794
	Vanguard Total International Stock	Mutual Fund	**	106,716
	Vanguard Inflation Protection Admin	Mutual Fund	**	60,916
	Diamond Hill Small Mid Cap I	Mutual Fund	**	163,066
	Baron Growth Institutional	Mutual Fund	**	353,464
	Harbor Large Cap Value	Mutual Fund	**	246,173
	FMI International	Mutual Fund	**	230,054
	Pioneer Fundamental Growth	Mutual Fund	**	468,886
	Doubleline Total Return	Mutual Fund	**	315,046
	JP Morgan US Government MM Cap	Mutual Fund	**	71,673
	Putnam Stable Value Fund	Collective Investment Trust	**	467,860
*	Fidelity Freedom Index Income Fund Institutional	Mutual Fund	**	44,273
*	Fidelity Freedom Index 2010 Fund Institutional	Mutual Fund	**	70,756
*	Fidelity Freedom Index 2015 Fund Institutional	Mutual Fund	**	1,520,755
*	Fidelity Freedom Index 2020 Fund Institutional	Mutual Fund	**	2,736,927
*	Fidelity Freedom Index 2025 Fund Institutional	Mutual Fund	**	3,198,686
*	Fidelity Freedom Index 2030 Fund Institutional	Mutual Fund	**	5,225,208
*	Fidelity Freedom Index 2035 Fund Institutional	Mutual Fund	**	3,828,801
*	Fidelity Freedom Index 2040 Fund Institutional	Mutual Fund	**	2,417,844
*	Fidelity Freedom Index 2045 Fund Institutional	Mutual Fund	**	1,837,139
*	Fidelity Freedom Index 2050 Fund Institutional	Mutual Fund	**	1,036,755
*	Fidelity Freedom Index 2055 Fund Institutional	Mutual Fund	**	685,777
*	Fidelity Freedom Index 2060 Fund Institutional	Mutual Fund	**	94,943
				<u>26,452,375</u>
		Interest rate of 4.25% to 6.50%;		
		Various maturities through October		
		2028		
*	Notes receivable from participants		-	<u>636,182</u>
				<u>\$ 27,088,557</u>

* Indicated party-in-interest to the Plan

** Cost information not provided as all investments are participant directed

ETC Hotels 401(k) Plan

(formerly known as Shutters on the Beach 401(k) Plan)

Financial Statements
and Supplemental Schedules

December 31, 2021 and 2020
and For the Year Ended December 31, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Investment Committee
ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Beverly Hills, California

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 ETC Hotels 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

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

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

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of ETC Hotels 401(k) 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ETC Hotels 401(k) Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ETC Hotels 401(k) 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 ETC Hotels 401(k) 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 accounting principles generally accepted in the United States of America.

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

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

Other Matter - 2021 Supplemental Schedules Required by ERISA

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

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

In our opinion:

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of ETC Hotels 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 4, 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Armanino LLP

Armanino^{LLP}
Dallas, Texas

October 14, 2022

ETC Hotels 401(k) Plan
(formerly known as Shuttters on the Beach 401(k) Plan)
Statements of Net Assets Available For Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at fair value		
Mutual funds, at fair value	\$ 25,984,515	\$ 24,997,180
Collective investment trust, at estimated fair value	<u>467,860</u>	<u>1,009,573</u>
Total investments at fair value	<u>26,452,375</u>	<u>26,006,753</u>
Receivables		
Notes receivable from participants	<u>636,182</u>	<u>588,965</u>
Total receivables	<u>636,182</u>	<u>588,965</u>
 Total assets	 27,088,557	 26,595,718
LIABILITIES		
Excess contributions payable	<u>1,569</u>	<u>-</u>
 Net assets available for benefits	 <u><u>\$ 27,086,988</u></u>	 <u><u>\$ 26,595,718</u></u>

The accompanying notes are an integral part of these financial statements.

ETC Hotels 401(k) Plan
(formerly known as Shuttters on the Beach 401(k) Plan)
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions to net assets attributed to

Contributions

Employee	\$ 1,236,119
Employer	687,952
Rollovers	<u>190,114</u>
Total contributions	<u>2,114,185</u>

Investment income

Dividends and interest	722,607
Net appreciation in fair value of investments	<u>2,157,834</u>
Total investment income	<u>2,880,441</u>

Interest income on notes receivable from participants	<u>49,577</u>
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Total additions to net assets	<u>5,044,203</u>
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Deductions from net assets attributed to

Benefits paid to participants	4,408,685
Administrative expenses	<u>144,248</u>
Total deductions from net assets	<u>4,552,933</u>

Net increase in net assets available for benefits	491,270
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Net assets available for benefits, beginning of year	<u>26,595,718</u>
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Net assets available for benefits, end of year	<u><u>\$ 27,086,988</u></u>
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The accompanying notes are an integral part of these financial statements.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN

The following description of ETC Hotels 401(k) Plan (formerly known as Shutters on the Beach 401(k) Plan (the "Plan")) provides only general information. Participants should refer to the plan documents for a more complete description of the Plan's provisions.

General

The Plan, a defined contribution plan sponsored by ET Whitehall Santa Monica Partners, L.P. ("Plan Sponsor") pursuant to Section 401(k) and related provisions of the Internal Revenue Code (IRC), was established on January 1, 1998 and most recently restated on May 25, 2021. The Plan is designed to provide participants with a means to defer a portion of their compensation for retirement and to provide benefits in the event of disability, death, termination or financial hardship. The Plan covers all employees of the Company who meet certain eligibility requirements as defined by the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and subsequent laws.

Effective January 31, 2020, Casa Del Mar 401(k) Plan and Edward Thomas Management Company 401(k) Plan merged into the Shutters on the Beach 401(k) Plan. The Plan sponsors (collectively, the "Company" or "Employer") of all three affected plans are under common ownership. The surviving plan was renamed, as amended, ETC Hotels 401(k) Plan. As a result of the merger, \$11,958,958 of assets were transferred into the Plan.

Effective March 27, 2020, the Plan administratively adopted the provisions of the Coronavirus Aid, Relief and Economic Security Act (CARES) Act related to participant loans and distributions. The Company has until December 31, 2025, to amend the Plan for changes allowed by the CARES Act. The Plan has not been formally amended to adopt these provision as of December 31, 2021.

Plan administration

The Company is the administrator of the Plan and, as such, carries out the duties imposed by ERISA. The Company has delegated certain responsibilities for the operation and administration of the Plan. Fidelity Management Trust Company ("Trustee") is the trustee and asset custodian of the Plan and is responsible for executing transactions related to the Plan's investments. An affiliate of the Trustee, Fidelity Workplace Services LLC is the Plan's record keeper and is responsible for maintaining participants' accounts and executing participant-initiated transactions.

Eligibility

Employees covered under the Plan include all employees except those who are union employees, nonresident aliens, on-call employees, seasonal employees and temporary employees. Covered employees are eligible to participate in the Plan upon reaching age 21 and completing three months of service.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN (continued)

Contributions

Participants may elect to contribute through payroll deductions amounts up to 100% of their annual compensation as defined by the Plan, on a tax-deferred basis, and the maximum amount allowed by the IRC, which was \$19,500 for 2021. Participants over the age of 50 may also contribute an additional \$6,500 catch-up contribution to the Plan for 2021.

Participants are permitted to rollover contributions, as defined in the Plan, from other qualified employer-sponsored retirement plans. All participant contributions are paid to the Trustee for investment in the appropriate investment fund or portfolio in accordance with the participant's directives and the terms of the Plan. The Company may make non-elective profit sharing contributions for eligible employees, as defined, who are actively employed at the end of the Plan year. There were no non-elective profit sharing contributions made for 2021. The Company may also make a discretionary matching contribution. During the Plan year ended December 31, 2021, the Company made discretionary matching contributions equal to 100% of a participant's salary deferrals that do not exceed 5% of their eligible compensation.

Participant accounts

Each participant's account is credited with the participant's contributions (including rollovers from the participant's previous plan), and an allocation of (a) the Company's non-elective profit sharing contributions or discretionary matching contributions, if applicable; and (b) Plan earnings or losses, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investments of all funds in the Plan.

Vesting

Participants are immediately vested in their contributions, including rollover contributions, plus actual earnings or losses thereon.

The vesting schedule for all types of Employer contributions is as follows:

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0 %
1	25 %
2	50 %
3	75 %
4	100 %

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN (continued)

Vesting (continued)

For vesting purposes, years of service with ET Whitehall Seascape, LLC, ET Whitehall Santa Monica Partners, L.P., The Edward Thomas Management Company, and ETC Bayside, LLC, all under common ownership, count as years of service with the Company. A participant becomes 100% vested upon normal retirement, death, or total and permanent disability.

Notes receivable from participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participants' accounts and bear interest at a fixed rate that ranges between 4.25% and 6.50% as of December 31, 2021. The repayment of principal plus interest is generally required by the Plan to be made through payroll deductions over five years unless the loan is used for the purchase of a primary residence.

Payment of benefits

Distributions and withdrawals are payable upon retirement, termination, financial hardship, disability, or death. If a terminated participant's vested account balance is equal to or less than \$1,000, the Plan Sponsor may distribute the account to the participant in a lump-sum cash payment without the participant's consent unless a direct rollover into another qualified benefit plan is requested. If the terminated participant's vested account balance is greater than \$1,000 but \$5,000 or less, the Plan Sponsor may distribute the account to the participant by rolling the amount over into an individual retirement account designated by the plan administrator without the participant's consent. If the account balance is greater than \$5,000, the participant can consent to either a distribution paid in the form of a lump-sum cash payment, a direct rollover into another qualified plan, or postpone payment to a later date and remain in the Plan as described in the Plan documents.

Administrative expenses

Certain administrative expenses of the Plan were paid directly by the Company. The Company does not expect reimbursement from the Plan for such administrative expenses. Loan set-up and maintenance fees are paid by the individual participants receiving a loan. Investment fees, which may vary according to the individual funds selected, are deducted directly from participants' investment returns. Participants should refer to the prospectus of the individual investment funds for further details on individual investment fees.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent liabilities. Accordingly, actual results could differ from those estimates.

Risks and uncertainties

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

Investment valuation and income recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Contributions and contributions receivable

Participant contributions are recorded based on the date the contributions or loan repayments have been separated from a participant's pay, which is the pay date. The Plan records receivables for participants' contributions based upon the contribution recognized, less amounts received by the Plan as of the last day of the Plan year. Discretionary Employer matching and non-elective contributions, if any, are recorded in the year they are earned.

Rollover contributions from participants are recorded based on the date the rollover contributions have been received by the Trustee.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Notes receivable from participants

Notes receivable from participants represent loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits

Benefits are recorded when paid.

Forfeited accounts

Forfeitures are composed of unvested balances at the time of distributions or five years of break in service. Forfeited accounts are used to reduce Company contributions. During the year ended December 31, 2021, \$946 of forfeitures were used to reduce Plan expenses. As of December 31, 2021 and 2020, there was \$71,473 and \$22,052 in forfeited amounts, respectively.

Administrative expenses

Administrative expenses are recorded when incurred.

Subsequent events

The Plan has evaluated subsequent events through October 14, 2022, the date the financial statements were available to be issued. Plan management is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

3. FAIR VALUE MEASUREMENTS

Accounting standards define fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- *Level 1* - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

3. FAIR VALUE MEASUREMENTS (continued)

- *Level 2* - inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities; or
- *Level 3* - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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

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

Mutual funds: 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. 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.

Collective investment trust: Putnam Stable Value Fund is a collective investment trust, which invests primarily in investment contracts. These include conventional guaranteed investment contracts, synthetic investment contracts, and wrap contracts. Guaranteed investment contracts are valued using a discounted cash flow methodology where the individual contract cash flows are discounted at the prevailing interpolated yield curve rate as of year-end. Synthetic contracts include short-term investments that are stated at contract value, which approximates fair value and fixed income investments which are valued by the contract issuer or its affiliated external asset manager on the basis of valuations furnished by independent pricing services. A third party issues a wrap contract that provides for participant transactions to be executed at contract value. The collective investment trust uses a NAV as a practical expedient to fair value.

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

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

3. FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments, by type, at fair value as of December 31, 2021:

Fair Value Measurements Using Input Type	Level 1	Level 2	Level 3	Total
Mutual funds, at fair value	<u>\$ 25,984,515</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 25,984,515
Investments measured at NAV (*)				<u>467,860</u>
				<u>\$ 26,452,375</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's investments, by type, at fair value as of December 31, 2020:

Fair Value Measurements Using Input Type	Level 1	Level 2	Level 3	Total
Mutual funds, at fair value	<u>\$ 24,997,180</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 24,997,180
Investments measured at NAV (*)				<u>1,009,573</u>
				<u>\$ 26,006,753</u>

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) 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 statements of net assets available for benefits.

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2021. There are no participant redemption restrictions for these investments; the redemption notice period is only applicable to the Plan.

Type	Estimated Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)/Notice
Putnam Stable Value Fund	\$ 467,860	N/A	Daily

ETC Hotels 401(k) Plan
(formerly known as Shuttles on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

3. FAIR VALUE MEASUREMENTS (continued)

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2020. There are no participant redemption restrictions for these investments; the redemption notice period is only applicable to the Plan.

Type	Estimated Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)/Notice
Putnam Stable Value Fund	\$ 1,009,573	N/A	Daily

4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan administrator, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of ERISA. Accordingly, the Trustee has certified to the completeness and accuracy of:

- Investments and notes receivable from participants as shown in the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020;
- Investment income and interest income on notes receivable from participants as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2021, and;
- Investments and notes receivable from participants reflected on the schedule of assets (held at end of year) as of December 31, 2021.

Accordingly, as requested by the plan administrator, the Plan's auditor performed no procedures on the certified information other than to agree the certified information to the related information included in the financial statements and schedule of assets (held at end of year).

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

ERISA defines party-in-interest similar to a related party under accounting standards, except that ERISA's definition is broader and includes all entities and individuals that provide services to the Plan; however, these entities may not necessarily be related parties. Plan management did not identify any related parties to the Plan that were not also considered to be party-in-interest. The Plan did not enter into any material related party transactions during the plan year related to compensation, arrangements, expense allowances or similar items.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS (continued)

Parties-in-interest are defined by ERISA as any fiduciary of the Plan, any party rendering services to the Plan, the Employer, and certain others. As such, transactions conducted by the Trustee qualify as party-in-interest transactions. In addition, the Plan sponsor pays certain fees and expenses on behalf of the Plan. These transactions qualify as party-in-interest transactions permitted under provisions of ERISA. Certain investments offered under the Plan are managed by Fidelity or one of its affiliates. Fidelity is the Trustee and recordkeeper as defined by the Plan, and therefore these transactions qualify as exempt party-in-interest transactions.

Notes receivable from participants and the related interest income are also considered party-in-interest transactions. The Trustee retains as compensation for services provided to the Plan, any interest on amounts earned while certain transactions are pending. This applies to both contributions and distributions. Earnings are at institutional money market rates.

6. TAX STATUS

The Plan has adopted the Fidelity Profit Sharing/401(k) Plan Volume Submitter Plan No. 17. The Internal Revenue Service has informed Fidelity by a letter dated June 30, 2020, that this Plan is designed in accordance with applicable sections of the IRC, and any employer adopting this form of the volume submitter plan will be considered to have a plan qualified under applicable sections of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

7. PLAN TERMINATION

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

8. FORM 5500 RECONCILIATION

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2021 and 2020 to Form 5500:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per financial statements	\$ 27,086,988	\$ 26,595,718
Excess contributions payable	<u>1,569</u>	<u>-</u>
Net assets per Form 5500	<u><u>\$ 27,088,557</u></u>	<u><u>\$ 26,595,718</u></u>

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

8. FORM 5500 RECONCILIATION (continued)

The following is a reconciliation of net increase in assets available for benefits per the financial statements for the year ended December 31, 2021 to Form 5500:

Net increase in assets available for benefits per financial statements	\$ 491,270
Current year employee contributions receivable	<u>1,569</u>
Net increase in assets available for benefits per Form 5500	<u><u>\$ 492,839</u></u>

SUPPLEMENTAL SCHEDULES

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
EIN: 95-4398775; Plan: 001
Schedule H, Part IV, Line 4(a) - Schedule of Delinquent Participant Contributions
December 31, 2021

Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments are included:	Total that Constitutes Nonexempt Prohibited Transactions				Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP		
☒	\$ 32,370	\$ 6,070	\$ -	\$ -	

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
EIN: 95-4398775; Plan: 001
Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2021

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Fidelity 500 Index Fund	Mutual Fund	**	\$ 486,688
*	Fidelity Small Cap Index	Mutual Fund	**	119,281
	Invesco Diversified Dividend R5	Mutual Fund	**	104,730
	Vanguard Total Bond Market Admin	Mutual Fund	**	255,041
	Templeton Global Bond Advantage	Mutual Fund	**	25,224
	Vanguard REIT Index Admin	Mutual Fund	**	94,320
	American Funds EuroPac Growth R5	Mutual Fund	**	55,579
	Vanguard Emerging Stock Index Admiral	Mutual Fund	**	129,794
	Vanguard Total International Stock	Mutual Fund	**	106,716
	Vanguard Inflation Protection Admin	Mutual Fund	**	60,916
	Diamond Hill Small Mid Cap I	Mutual Fund	**	163,066
	Baron Growth Institutional	Mutual Fund	**	353,464
	Harbor Large Cap Value	Mutual Fund	**	246,173
	FMI International	Mutual Fund	**	230,054
	Pioneer Fundamental Growth	Mutual Fund	**	468,886
	Doubleline Total Return	Mutual Fund	**	315,046
	JP Morgan US Government MM Cap	Mutual Fund	**	71,673
	Putnam Stable Value Fund	Collective Investment Trust	**	467,860
*	Fidelity Freedom Index Income Fund Institutional	Mutual Fund	**	44,273
*	Fidelity Freedom Index 2010 Fund Institutional	Mutual Fund	**	70,756
*	Fidelity Freedom Index 2015 Fund Institutional	Mutual Fund	**	1,520,755
*	Fidelity Freedom Index 2020 Fund Institutional	Mutual Fund	**	2,736,927
*	Fidelity Freedom Index 2025 Fund Institutional	Mutual Fund	**	3,198,686
*	Fidelity Freedom Index 2030 Fund Institutional	Mutual Fund	**	5,225,208
*	Fidelity Freedom Index 2035 Fund Institutional	Mutual Fund	**	3,828,801
*	Fidelity Freedom Index 2040 Fund Institutional	Mutual Fund	**	2,417,844
*	Fidelity Freedom Index 2045 Fund Institutional	Mutual Fund	**	1,837,139
*	Fidelity Freedom Index 2050 Fund Institutional	Mutual Fund	**	1,036,755
*	Fidelity Freedom Index 2055 Fund Institutional	Mutual Fund	**	685,777
*	Fidelity Freedom Index 2060 Fund Institutional	Mutual Fund	**	94,943
				<u>26,452,375</u>
		Interest rate of 4.25% to 6.50%;		
		Various maturities through October		
		2028		
*	Notes receivable from participants		-	<u>636,182</u>
				<u>\$ 27,088,557</u>

* Indicated party-in-interest to the Plan

** Cost information not provided as all investments are participant directed

ETC Hotels 401(k) Plan

(formerly known as Shutters on the Beach 401(k) Plan)

Financial Statements
and Supplemental Schedules

December 31, 2021 and 2020
and For the Year Ended December 31, 2021



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INDEPENDENT AUDITOR'S REPORT

To the Investment Committee
ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Beverly Hills, California

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 ETC Hotels 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2021, and for the year then ended, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

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

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

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of ETC Hotels 401(k) 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ETC Hotels 401(k) Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ETC Hotels 401(k) 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 ETC Hotels 401(k) 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 accounting principles generally accepted in the United States of America.

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

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

Other Matter - 2021 Supplemental Schedules Required by ERISA

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

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

In our opinion:

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

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of ETC Hotels 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated October 4, 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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Armanino LLP

Armanino^{LLP}
Dallas, Texas

October 14, 2022

ETC Hotels 401(k) Plan
(formerly known as Shuttters on the Beach 401(k) Plan)
Statements of Net Assets Available For Benefits
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at fair value		
Mutual funds, at fair value	\$ 25,984,515	\$ 24,997,180
Collective investment trust, at estimated fair value	<u>467,860</u>	<u>1,009,573</u>
Total investments at fair value	<u>26,452,375</u>	<u>26,006,753</u>
Receivables		
Notes receivable from participants	<u>636,182</u>	<u>588,965</u>
Total receivables	<u>636,182</u>	<u>588,965</u>
Total assets	27,088,557	26,595,718
LIABILITIES		
Excess contributions payable	<u>1,569</u>	<u>-</u>
Net assets available for benefits	<u><u>\$ 27,086,988</u></u>	<u><u>\$ 26,595,718</u></u>

The accompanying notes are an integral part of these financial statements.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2021

Additions to net assets attributed to

Contributions

Employee	\$ 1,236,119
Employer	687,952
Rollovers	<u>190,114</u>
Total contributions	<u>2,114,185</u>

Investment income

Dividends and interest	722,607
Net appreciation in fair value of investments	<u>2,157,834</u>
Total investment income	<u>2,880,441</u>

Interest income on notes receivable from participants	<u>49,577</u>
---	---------------

Total additions to net assets	<u>5,044,203</u>
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Deductions from net assets attributed to

Benefits paid to participants	4,408,685
Administrative expenses	<u>144,248</u>
Total deductions from net assets	<u>4,552,933</u>

Net increase in net assets available for benefits	491,270
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Net assets available for benefits, beginning of year	<u>26,595,718</u>
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Net assets available for benefits, end of year	<u><u>\$ 27,086,988</u></u>
--	-----------------------------

The accompanying notes are an integral part of these financial statements.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN

The following description of ETC Hotels 401(k) Plan (formerly known as Shutters on the Beach 401(k) Plan (the "Plan")) provides only general information. Participants should refer to the plan documents for a more complete description of the Plan's provisions.

General

The Plan, a defined contribution plan sponsored by ET Whitehall Santa Monica Partners, L.P. ("Plan Sponsor") pursuant to Section 401(k) and related provisions of the Internal Revenue Code (IRC), was established on January 1, 1998 and most recently restated on May 25, 2021. The Plan is designed to provide participants with a means to defer a portion of their compensation for retirement and to provide benefits in the event of disability, death, termination or financial hardship. The Plan covers all employees of the Company who meet certain eligibility requirements as defined by the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and subsequent laws.

Effective January 31, 2020, Casa Del Mar 401(k) Plan and Edward Thomas Management Company 401(k) Plan merged into the Shutters on the Beach 401(k) Plan. The Plan sponsors (collectively, the "Company" or "Employer") of all three affected plans are under common ownership. The surviving plan was renamed, as amended, ETC Hotels 401(k) Plan. As a result of the merger, \$11,958,958 of assets were transferred into the Plan.

Effective March 27, 2020, the Plan administratively adopted the provisions of the Coronavirus Aid, Relief and Economic Security Act (CARES) Act related to participant loans and distributions. The Company has until December 31, 2025, to amend the Plan for changes allowed by the CARES Act. The Plan has not been formally amended to adopt these provision as of December 31, 2021.

Plan administration

The Company is the administrator of the Plan and, as such, carries out the duties imposed by ERISA. The Company has delegated certain responsibilities for the operation and administration of the Plan. Fidelity Management Trust Company ("Trustee") is the trustee and asset custodian of the Plan and is responsible for executing transactions related to the Plan's investments. An affiliate of the Trustee, Fidelity Workplace Services LLC is the Plan's record keeper and is responsible for maintaining participants' accounts and executing participant-initiated transactions.

Eligibility

Employees covered under the Plan include all employees except those who are union employees, nonresident aliens, on-call employees, seasonal employees and temporary employees. Covered employees are eligible to participate in the Plan upon reaching age 21 and completing three months of service.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN (continued)

Contributions

Participants may elect to contribute through payroll deductions amounts up to 100% of their annual compensation as defined by the Plan, on a tax-deferred basis, and the maximum amount allowed by the IRC, which was \$19,500 for 2021. Participants over the age of 50 may also contribute an additional \$6,500 catch-up contribution to the Plan for 2021.

Participants are permitted to rollover contributions, as defined in the Plan, from other qualified employer-sponsored retirement plans. All participant contributions are paid to the Trustee for investment in the appropriate investment fund or portfolio in accordance with the participant's directives and the terms of the Plan. The Company may make non-elective profit sharing contributions for eligible employees, as defined, who are actively employed at the end of the Plan year. There were no non-elective profit sharing contributions made for 2021. The Company may also make a discretionary matching contribution. During the Plan year ended December 31, 2021, the Company made discretionary matching contributions equal to 100% of a participant's salary deferrals that do not exceed 5% of their eligible compensation.

Participant accounts

Each participant's account is credited with the participant's contributions (including rollovers from the participant's previous plan), and an allocation of (a) the Company's non-elective profit sharing contributions or discretionary matching contributions, if applicable; and (b) Plan earnings or losses, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Participants direct the investments of all funds in the Plan.

Vesting

Participants are immediately vested in their contributions, including rollover contributions, plus actual earnings or losses thereon.

The vesting schedule for all types of Employer contributions is as follows:

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0 %
1	25 %
2	50 %
3	75 %
4	100 %

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

1. DESCRIPTION OF THE PLAN (continued)

Vesting (continued)

For vesting purposes, years of service with ET Whitehall Seascape, LLC, ET Whitehall Santa Monica Partners, L.P., The Edward Thomas Management Company, and ETC Bayside, LLC, all under common ownership, count as years of service with the Company. A participant becomes 100% vested upon normal retirement, death, or total and permanent disability.

Notes receivable from participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participants' accounts and bear interest at a fixed rate that ranges between 4.25% and 6.50% as of December 31, 2021. The repayment of principal plus interest is generally required by the Plan to be made through payroll deductions over five years unless the loan is used for the purchase of a primary residence.

Payment of benefits

Distributions and withdrawals are payable upon retirement, termination, financial hardship, disability, or death. If a terminated participant's vested account balance is equal to or less than \$1,000, the Plan Sponsor may distribute the account to the participant in a lump-sum cash payment without the participant's consent unless a direct rollover into another qualified benefit plan is requested. If the terminated participant's vested account balance is greater than \$1,000 but \$5,000 or less, the Plan Sponsor may distribute the account to the participant by rolling the amount over into an individual retirement account designated by the plan administrator without the participant's consent. If the account balance is greater than \$5,000, the participant can consent to either a distribution paid in the form of a lump-sum cash payment, a direct rollover into another qualified plan, or postpone payment to a later date and remain in the Plan as described in the Plan documents.

Administrative expenses

Certain administrative expenses of the Plan were paid directly by the Company. The Company does not expect reimbursement from the Plan for such administrative expenses. Loan set-up and maintenance fees are paid by the individual participants receiving a loan. Investment fees, which may vary according to the individual funds selected, are deducted directly from participants' investment returns. Participants should refer to the prospectus of the individual investment funds for further details on individual investment fees.

ETC Hotels 401(k) Plan
(formerly known as Shutters on the Beach 401(k) Plan)
Notes to Financial Statements
December 31, 2021 and 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent liabilities. Accordingly, actual results could differ from those estimates.

Risks and uncertainties

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

Investment valuation and income recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Contributions and contributions receivable

Participant contributions are recorded based on the date the contributions or loan repayments have been separated from a participant's pay, which is the pay date. The Plan records receivables for participants' contributions based upon the contribution recognized, less amounts received by the Plan as of the last day of the Plan year. Discretionary Employer matching and non-elective contributions, if any, are recorded in the year they are earned.

Rollover contributions from participants are recorded based on the date the rollover contributions have been received by the Trustee.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Notes receivable from participants

Notes receivable from participants represent loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

Payment of benefits

Benefits are recorded when paid.

Forfeited accounts

Forfeitures are composed of unvested balances at the time of distributions or five years of break in service. Forfeited accounts are used to reduce Company contributions. During the year ended December 31, 2021, \$946 of forfeitures were used to reduce Plan expenses. As of December 31, 2021 and 2020, there was \$71,473 and \$22,052 in forfeited amounts, respectively.

Administrative expenses

Administrative expenses are recorded when incurred.

Subsequent events

The Plan has evaluated subsequent events through October 14, 2022, the date the financial statements were available to be issued. Plan management is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

3. FAIR VALUE MEASUREMENTS

Accounting standards define fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Accounting standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- *Level 1* - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date.

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3. FAIR VALUE MEASUREMENTS (continued)

- *Level 2* - inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities; or
- *Level 3* - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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

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

Mutual funds: 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. 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.

Collective investment trust: Putnam Stable Value Fund is a collective investment trust, which invests primarily in investment contracts. These include conventional guaranteed investment contracts, synthetic investment contracts, and wrap contracts. Guaranteed investment contracts are valued using a discounted cash flow methodology where the individual contract cash flows are discounted at the prevailing interpolated yield curve rate as of year-end. Synthetic contracts include short-term investments that are stated at contract value, which approximates fair value and fixed income investments which are valued by the contract issuer or its affiliated external asset manager on the basis of valuations furnished by independent pricing services. A third party issues a wrap contract that provides for participant transactions to be executed at contract value. The collective investment trust uses a NAV as a practical expedient to fair value.

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

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Notes to Financial Statements
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3. FAIR VALUE MEASUREMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments, by type, at fair value as of December 31, 2021:

Fair Value Measurements Using Input Type	Level 1	Level 2	Level 3	Total
Mutual funds, at fair value	<u>\$ 25,984,515</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 25,984,515
Investments measured at NAV (*)				<u>467,860</u>
				<u>\$ 26,452,375</u>

The following table sets forth by level, within the fair value hierarchy, the Plan's investments, by type, at fair value as of December 31, 2020:

Fair Value Measurements Using Input Type	Level 1	Level 2	Level 3	Total
Mutual funds, at fair value	<u>\$ 24,997,180</u>	<u>\$ -</u>	<u>\$ -</u>	\$ 24,997,180
Investments measured at NAV (*)				<u>1,009,573</u>
				<u>\$ 26,006,753</u>

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) 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 statements of net assets available for benefits.

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2021. There are no participant redemption restrictions for these investments; the redemption notice period is only applicable to the Plan.

Type	Estimated Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)/Notice
Putnam Stable Value Fund	\$ 467,860	N/A	Daily

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3. FAIR VALUE MEASUREMENTS (continued)

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2020. There are no participant redemption restrictions for these investments; the redemption notice period is only applicable to the Plan.

Type	Estimated Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)/Notice
Putnam Stable Value Fund	\$ 1,009,573	N/A	Daily

4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (UNAUDITED)

The Plan administrator, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of ERISA. Accordingly, the Trustee has certified to the completeness and accuracy of:

- Investments and notes receivable from participants as shown in the accompanying statements of net assets available for benefits as of December 31, 2021 and 2020;
- Investment income and interest income on notes receivable from participants as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2021, and;
- Investments and notes receivable from participants reflected on the schedule of assets (held at end of year) as of December 31, 2021.

Accordingly, as requested by the plan administrator, the Plan's auditor performed no procedures on the certified information other than to agree the certified information to the related information included in the financial statements and schedule of assets (held at end of year).

5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

ERISA defines party-in-interest similar to a related party under accounting standards, except that ERISA's definition is broader and includes all entities and individuals that provide services to the Plan; however, these entities may not necessarily be related parties. Plan management did not identify any related parties to the Plan that were not also considered to be party-in-interest. The Plan did not enter into any material related party transactions during the plan year related to compensation, arrangements, expense allowances or similar items.

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5. RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS (continued)

Parties-in-interest are defined by ERISA as any fiduciary of the Plan, any party rendering services to the Plan, the Employer, and certain others. As such, transactions conducted by the Trustee qualify as party-in-interest transactions. In addition, the Plan sponsor pays certain fees and expenses on behalf of the Plan. These transactions qualify as party-in-interest transactions permitted under provisions of ERISA. Certain investments offered under the Plan are managed by Fidelity or one of its affiliates. Fidelity is the Trustee and recordkeeper as defined by the Plan, and therefore these transactions qualify as exempt party-in-interest transactions.

Notes receivable from participants and the related interest income are also considered party-in-interest transactions. The Trustee retains as compensation for services provided to the Plan, any interest on amounts earned while certain transactions are pending. This applies to both contributions and distributions. Earnings are at institutional money market rates.

6. TAX STATUS

The Plan has adopted the Fidelity Profit Sharing/401(k) Plan Volume Submitter Plan No. 17. The Internal Revenue Service has informed Fidelity by a letter dated June 30, 2020, that this Plan is designed in accordance with applicable sections of the IRC, and any employer adopting this form of the volume submitter plan will be considered to have a plan qualified under applicable sections of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

7. PLAN TERMINATION

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

8. FORM 5500 RECONCILIATION

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2021 and 2020 to Form 5500:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per financial statements	\$ 27,086,988	\$ 26,595,718
Excess contributions payable	<u>1,569</u>	<u>-</u>
Net assets per Form 5500	<u><u>\$ 27,088,557</u></u>	<u><u>\$ 26,595,718</u></u>

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8. FORM 5500 RECONCILIATION (continued)

The following is a reconciliation of net increase in assets available for benefits per the financial statements for the year ended December 31, 2021 to Form 5500:

Net increase in assets available for benefits per financial statements	\$ 491,270
Current year employee contributions receivable	<u>1,569</u>
Net increase in assets available for benefits per Form 5500	<u><u>\$ 492,839</u></u>

SUPPLEMENTAL SCHEDULES

ETC Hotels 401(k) Plan
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EIN: 95-4398775; Plan: 001
Schedule H, Part IV, Line 4(a) - Schedule of Delinquent Participant Contributions
December 31, 2021

Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments are included:	Total that Constitutes Nonexempt Prohibited Transactions				Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP		
☒	\$ 32,370	\$ 6,070	\$ -	\$ -	

ETC Hotels 401(k) Plan
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EIN: 95-4398775; Plan: 001
Schedule H, Part IV, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2021

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Fidelity 500 Index Fund	Mutual Fund	**	\$ 486,688
*	Fidelity Small Cap Index	Mutual Fund	**	119,281
	Invesco Diversified Dividend R5	Mutual Fund	**	104,730
	Vanguard Total Bond Market Admin	Mutual Fund	**	255,041
	Templeton Global Bond Advantage	Mutual Fund	**	25,224
	Vanguard REIT Index Admin	Mutual Fund	**	94,320
	American Funds EuroPac Growth R5	Mutual Fund	**	55,579
	Vanguard Emerging Stock Index Admiral	Mutual Fund	**	129,794
	Vanguard Total International Stock	Mutual Fund	**	106,716
	Vanguard Inflation Protection Admin	Mutual Fund	**	60,916
	Diamond Hill Small Mid Cap I	Mutual Fund	**	163,066
	Baron Growth Institutional	Mutual Fund	**	353,464
	Harbor Large Cap Value	Mutual Fund	**	246,173
	FMI International	Mutual Fund	**	230,054
	Pioneer Fundamental Growth	Mutual Fund	**	468,886
	Doubleline Total Return	Mutual Fund	**	315,046
	JP Morgan US Government MM Cap	Mutual Fund	**	71,673
	Putnam Stable Value Fund	Collective Investment Trust	**	467,860
*	Fidelity Freedom Index Income Fund Institutional	Mutual Fund	**	44,273
*	Fidelity Freedom Index 2010 Fund Institutional	Mutual Fund	**	70,756
*	Fidelity Freedom Index 2015 Fund Institutional	Mutual Fund	**	1,520,755
*	Fidelity Freedom Index 2020 Fund Institutional	Mutual Fund	**	2,736,927
*	Fidelity Freedom Index 2025 Fund Institutional	Mutual Fund	**	3,198,686
*	Fidelity Freedom Index 2030 Fund Institutional	Mutual Fund	**	5,225,208
*	Fidelity Freedom Index 2035 Fund Institutional	Mutual Fund	**	3,828,801
*	Fidelity Freedom Index 2040 Fund Institutional	Mutual Fund	**	2,417,844
*	Fidelity Freedom Index 2045 Fund Institutional	Mutual Fund	**	1,837,139
*	Fidelity Freedom Index 2050 Fund Institutional	Mutual Fund	**	1,036,755
*	Fidelity Freedom Index 2055 Fund Institutional	Mutual Fund	**	685,777
*	Fidelity Freedom Index 2060 Fund Institutional	Mutual Fund	**	94,943
				<u>26,452,375</u>
		Interest rate of 4.25% to 6.50%;		
		Various maturities through October		
		2028		
*	Notes receivable from participants		-	<u>636,182</u>
				<u>\$ 27,088,557</u>

* Indicated party-in-interest to the Plan

** Cost information not provided as all investments are participant directed