

**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

**2022**

**This Form is Open to Public Inspection**

**Part I Annual Report Identification Information**

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 05/02/2022

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

|   |   |
|---|---|
| <b>1a</b> Name of plan<br><u>SUNVAIR 401(K) PLAN</u>  | <b>1b</b> Three-digit plan number (PN) ▶ <u>002</u>                 |
|   | <b>1c</b> Effective date of plan<br><u>01/01/1998</u>               |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>SUNVAIR, INC.</u><br><br><u>29145 THE OLD ROAD</u><br><u>VALENCIA, CA 91355</u> | <b>2b</b> Employer Identification Number (EIN)<br><u>32-0443184</u> |
|   | <b>2c</b> Plan Sponsor's telephone number<br><u>661-294-3777</u>    |
|   | <b>2d</b> Business code (see instructions)<br><u>333510</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.

|                  |  |                   |  |
|------------------|--|-------------------|--|
| <b>SIGN HERE</b> | <u>Filed with authorized/valid electronic signature.</u> | <u>03/07/2023</u> | <u>GLENN MILLER</u>  |
|                  | Signature of plan administrator                          | Date              | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |  |                   |  |
|                  | Signature of employer/plan sponsor                       | Date              | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |  |                   |  |
|                  | Signature of DFE   | Date              | Enter name of individual signing as DFE                      |

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

Form 5500 (2022)  
v. 220413

|   |   |
|---|---|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor  | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number   |
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name  | <b>4b</b> EIN<br><br><b>4d</b> PN   |
| <b>5</b> Total number of participants at the beginning of the plan year   | <b>5</b> 171  |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).<br><br><b>6a(1)</b> Total number of active participants at the beginning of the plan year .....<br><b>6a(2)</b> Total number of active participants at the end of the plan year .....<br><br><b>b</b> Retired or separated participants receiving benefits .....<br><b>c</b> Other retired or separated participants entitled to future benefits.....<br><b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....<br><b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....<br><b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....<br><br><b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....<br><br><b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested..... | <b>6a(1)</b> 121<br><b>6a(2)</b> 0<br><b>6b</b> 0<br><b>6c</b> 0<br><b>6d</b> 0<br><b>6e</b> 0<br><b>6f</b> 0<br><b>6g</b> 0<br><b>6h</b> 0   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....  | <b>7</b>  |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2A 2E 2F 2G 2J 2K 2T 3D 3H<br><br><b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:   |   |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor   |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)   |   |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input checked="" type="checkbox"/> <sup>1</sup> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

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

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**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.

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**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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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 \_\_\_\_\_

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

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

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

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

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

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

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

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

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

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

**Part II Investment and Annuity Contract Information**  
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|   |          |   |
|---|----------|---|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end..... | <b>4</b> |   |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end.....   | <b>5</b> | 0 |

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

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

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

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

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

**b** Balance at the end of the previous year ..... **7b**

|   |              |  |  |
|---|--------------|--|--|
| <b>c</b> Additions: (1) Contributions deposited during the year ..... | <b>7c(1)</b> |  |  |
| (2) Dividends and credits.....  | <b>7c(2)</b> |  |  |
| (3) Interest credited during the year.....                            | <b>7c(3)</b> |  |  |
| (4) Transferred from separate account.....                            | <b>7c(4)</b> |  |  |
| (5) Other (specify below) .....                                       | <b>7c(5)</b> |  |  |

(6) Total additions..... **7c(6)**

**d** Total of balance and additions (add lines **7b** and **7c(6)**)..... **7d**

|   |              |  |  |
|---|--------------|--|--|
| <b>e</b> Deductions:  |              |  |  |
| (1) Disbursed from fund to pay benefits or purchase annuities during year | <b>7e(1)</b> |  |  |
| (2) Administration charge made by carrier.....                            | <b>7e(2)</b> |  |  |
| (3) Transferred to separate account.....                                  | <b>7e(3)</b> |  |  |
| (4) Other (specify below) .....   | <b>7e(4)</b> |  |  |

(5) Total deductions..... **7e(5)**

**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f**

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

- 8** Benefit and contract type (check all applicable boxes)
- |  |  |   |  |
|--|--|---|--|
| <b>a</b> <input type="checkbox"/> Health (other than dental or vision)         | <b>b</b> <input type="checkbox"/> Dental               | <b>c</b> <input type="checkbox"/> Vision                    | <b>d</b> <input type="checkbox"/> Life insurance     |
| <b>e</b> <input type="checkbox"/> Temporary disability (accident and sickness) | <b>f</b> <input type="checkbox"/> Long-term disability | <b>g</b> <input type="checkbox"/> Supplemental unemployment | <b>h</b> <input type="checkbox"/> Prescription drug  |
| <b>i</b> <input type="checkbox"/> Stop loss (large deductible)                 | <b>j</b> <input type="checkbox"/> HMO contract         | <b>k</b> <input type="checkbox"/> PPO contract              | <b>l</b> <input type="checkbox"/> Indemnity contract |
| <b>m</b> <input type="checkbox"/> Other (specify) ▶                            |  |   |  |

**9** Experience-rated contracts:

|   |                 |                 |  |
|---|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received .....  | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid .....  | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve.....  | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)).....   |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid.....   | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves .....   | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)).....  |                 | <b>9b(3)</b>    |  |
| (4) Claims charged .....  |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --   |                 |                 |  |
| (A) Commissions .....   | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees .....  | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs.....   | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses .....  | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes .....   | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies .....  | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges.....  | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention.....  |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.).....   |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....  |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves .....  |                 | <b>9d(2)</b>    |  |
| (3) Other reserves .....  |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....   |                 | <b>9e</b>       |  |
| <b>10</b> Nonexperience-rated contracts:  |                 |                 |  |
| <b>a</b> Total premiums or subscription charges paid to carrier .....   |                 | <b>10a</b>      |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount ..... |                 | <b>10b</b>      |  |
| Specify nature of costs.  |                 |                 |  |

**Part IV Provision of Information**

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

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

**SCHEDULE C  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Service Provider Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

**2022**

**This Form is Open to Public Inspection.**

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 05/02/2022

|   |  |            |
|---|--|------------|
| <b>A</b> Name of plan<br><u>SUNVAIR 401(K) PLAN</u>                                   | <b>B</b> Three-digit plan number (PN) ▶                            | <u>002</u> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SUNVAIR, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>32-0443184</u> |            |

**Part I Service Provider Information (see instructions)**

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

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

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

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**(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)

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| (b)<br>Service Code(s)        | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|---|--|--|--|---|--|
| 15 28 59<br>60 62 63<br>67 68 | RECORDKEEPER  | 532  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>  |   | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

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

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

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

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

**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.

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

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

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

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

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

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

| <b>(a)</b> Enter name and EIN or address of service provider (see instructions) | <b>(b)</b> Nature of Service Code(s) | <b>(c)</b> 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)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |

Explanation:

|  |  |  |
|--|--|--|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection</b> |
|--|--|--|

|  |  |
|--|--|
| For calendar plan year 2022 or fiscal plan year beginning <b>01/01/2022</b> and ending <b>05/02/2022</b> |  |
| <b>A</b> Name of plan<br><b>SUNVAIR 401(K) PLAN</b>  | <b>B</b> Three-digit plan number (PN) ▶ <b>002</b>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>SUNVAIR, INC.</b>                    | <b>D</b> Employer Identification Number (EIN)<br><b>32-0443184</b> |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**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 |
|---|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash.....  | <b>1a</b>       | 3617                  | 0               |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                       |                 |
| <b>(1)</b> Employer contributions.....  | <b>1b(1)</b>    | 0                     | 0               |
| <b>(2)</b> Participant contributions.....   | <b>1b(2)</b>    | 0                     | 0               |
| <b>(3)</b> Other.....   | <b>1b(3)</b>    | 0                     | 0               |
| <b>c</b> General investments:   |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....   | <b>1c(1)</b>    | 0                     |                 |
| <b>(2)</b> U.S. Government securities.....  | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
| <b>(A)</b> Preferred.....   | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....   | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                       |                 |
| <b>(A)</b> Preferred.....   | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common.....  | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests.....   | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property).....                                   | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants).....  | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans.....   | <b>1c(8)</b>    | 151190                | 0               |
| <b>(9)</b> Value of interest in common/collective trusts.....                                     | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                    | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts.....                            | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities.....                                  | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   | 11731013              | 0               |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other.....  | <b>1c(15)</b>   |                       |                 |

| 1d Employer-related investments:                             |       | (a) Beginning of Year | (b) End of Year |
|--|-------|-----------------------|-----------------|
| (1) Employer securities.....                                 | 1d(1) |                       |                 |
| (2) Employer real property.....                              | 1d(2) |                       |                 |
| e Buildings and other property used in plan operation.....   | 1e    |                       |                 |
| f Total assets (add all amounts in lines 1a through 1e)..... | 1f    | 11885820              | 0               |

**Liabilities**

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

**Net Assets**

|   |    |          |   |
|---|----|----------|---|
| l Net assets (subtract line 1k from line 1f)..... | 1l | 11885820 | 0 |
|---|----|----------|---|

**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 |
|--|----------|------------|-----------|
| <b>a Contributions:</b>  |          |            |           |
| (1) Received or receivable in cash from: (A) Employers.....                                  | 2a(1)(A) | 94869      |           |
| (B) Participants.....  | 2a(1)(B) | 166581     |           |
| (C) Others (including rollovers).....  | 2a(1)(C) | 1962       |           |
| (2) Noncash contributions.....   | 2a(2)    | 0          |           |
| (3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....                   | 2a(3)    |            | 263412    |
| <b>b Earnings on investments:</b>  |          |            |           |
| (1) Interest:  |          |            |           |
| (A) Interest-bearing cash (including money market accounts and certificates of deposit)..... | 2b(1)(A) |            |           |
| (B) U.S. Government securities.....  | 2b(1)(B) | 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) | 2978       |           |
| (F) Other.....   | 2b(1)(F) | 0          |           |
| (G) Total interest. Add lines 2b(1)(A) through (F).....                                      | 2b(1)(G) |            | 2978      |
| (2) Dividends: (A) Preferred stock.....  | 2b(2)(A) | 0          |           |
| (B) Common stock.....  | 2b(2)(B) | 0          |           |
| (C) Registered investment company shares (e.g. mutual funds).....                            | 2b(2)(C) | 0          |           |
| (D) Total dividends. Add lines 2b(2)(A), (B), and (C).....                                   | 2b(2)(D) |            | 0         |
| (3) Rents.....   | 2b(3)    |            | 0         |
| (4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....                           | 2b(4)(A) | 0          |           |
| (B) Aggregate carrying amount (see instructions).....  | 2b(4)(B) | 0          |           |
| (C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....                          | 2b(4)(C) |            |           |
| (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....                   | 2b(5)(A) |            |           |
| (B) Other.....   | 2b(5)(B) |            |           |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....                 | 2b(5)(C) |            |           |

|  |               | (a) Amount | (b) Total |
|--|---------------|------------|-----------|
| <b>(6)</b> Net investment gain (loss) from common/collective trusts .....                              | <b>2b(6)</b>  |            |           |
| <b>(7)</b> Net investment gain (loss) from pooled separate accounts .....                              | <b>2b(7)</b>  |            |           |
| <b>(8)</b> Net investment gain (loss) from master trust investment accounts .....                      | <b>2b(8)</b>  |            |           |
| <b>(9)</b> Net investment gain (loss) from 103-12 investment entities.....                             | <b>2b(9)</b>  |            |           |
| <b>(10)</b> Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | <b>2b(10)</b> |            | -1491896  |
| <b>c</b> Other income .....  | <b>2c</b>     |            | 16055     |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | <b>2d</b>     |            | -1209451  |
| <b>Expenses</b>  |               |            |           |
| <b>e</b> Benefit payment and payments to provide benefits:   |               |            |           |
| <b>(1)</b> Directly to participants or beneficiaries, including direct rollovers .....                 | <b>2e(1)</b>  | 1005985    |           |
| <b>(2)</b> To insurance carriers for the provision of benefits .....                                   | <b>2e(2)</b>  | 0          |           |
| <b>(3)</b> Other .....   | <b>2e(3)</b>  | 0          |           |
| <b>(4)</b> Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....                     | <b>2e(4)</b>  |            | 1005985   |
| <b>f</b> Corrective distributions (see instructions) .....   | <b>2f</b>     |            | 0         |
| <b>g</b> Certain deemed distributions of participant loans (see instructions) .....                    | <b>2g</b>     |            | 0         |
| <b>h</b> Interest expense .....  | <b>2h</b>     |            | 0         |
| <b>i</b> Administrative expenses: <b>(1)</b> Professional fees .....                                   | <b>2i(1)</b>  | 0          |           |
| <b>(2)</b> Contract administrator fees.....  | <b>2i(2)</b>  | 21846      |           |
| <b>(3)</b> Investment advisory and management fees .....   | <b>2i(3)</b>  | 50         |           |
| <b>(4)</b> Other .....   | <b>2i(4)</b>  |            |           |
| <b>(5)</b> Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....              | <b>2i(5)</b>  |            | 21896     |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....            | <b>2j</b>     |            | 1027881   |
| <b>Net Income and Reconciliation</b>   |               |            |           |
| <b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....                          | <b>2k</b>     |            | -2237332  |
| <b>l</b> Transfers of assets:  |               |            |           |
| <b>(1)</b> To this plan .....  | <b>2l(1)</b>  |            | 0         |
| <b>(2)</b> From this plan.....   | <b>2l(2)</b>  |            | 9648488   |

**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: **HEDMAN PARTNERS LLP**

**(2)** EIN: **85-4036357**

**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 |
|-----------|-----|----|--------|
| <b>4a</b> | X   |    | 3504   |

|   |           | Yes | No | Amount  |
|---|-----------|-----|----|---------|
| <b>b</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.)..... | <b>4b</b> |     | X  |         |
| <b>c</b> 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.) .....  | <b>4c</b> |     | X  |         |
| <b>d</b> 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.).....  | <b>4d</b> |     | X  |         |
| <b>e</b> Was this plan covered by a fidelity bond?.....   | <b>4e</b> | X   |    | 1000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....   | <b>4f</b> |     | X  |         |
| <b>g</b> 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? .....  | <b>4g</b> |     | X  |         |
| <b>h</b> 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?.....   | <b>4h</b> |     | X  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....   | <b>4i</b> |     | X  |         |
| <b>j</b> 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.).....   | <b>4j</b> |     | X  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....   | <b>4k</b> | X   |    |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....  | <b>4l</b> |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....  | <b>4m</b> | X   |    |         |
| <b>n</b> 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. ....  | <b>4n</b> | 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 5579.

**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) |
|---|--------------|-------------|
| SUNVAIR AEROSPACE GROUP, INC. 401(K) PLAN | 47-1204189   | 001         |
|   |              |             |
|   |              |             |
|   |              |             |

**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 \_\_\_\_\_.

|  |   |   |
|--|---|---|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Retirement Plan Information</b><br><br>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).<br><br><b>▶ File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection.</b> |
|--|---|---|

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 05/02/2022

|   |  |            |
|---|--|------------|
| <b>A</b> Name of plan<br><u>SUNVAIR 401(K) PLAN</u>                                   | <b>B</b> Three-digit plan number (PN) ▶                            | <u>002</u> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SUNVAIR, INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>32-0443184</u> |            |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

**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): 01-0233346

**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 |  |
|---|--|

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_  
**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

|   |           |  |
|---|-----------|--|
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....   | <b>6a</b> |  |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year.....   | <b>6b</b> |  |
| <b>c</b> 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)..... | <b>6c</b> |  |

**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

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

**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

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

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

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

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

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

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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:

|   |            |  |
|---|------------|--|
| <b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)..... | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....  | <b>14b</b> |  |
| <b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....  | <b>14c</b> |  |

**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:

|  |            |  |
|--|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year.....                            | <b>15b</b> |  |

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

|   |            |  |
|---|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....  | <b>16a</b> |  |
| <b>b</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..... | <b>16b</b> |  |

**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 \_\_\_\_\_

*Financial Statements*

*SUNVAIR 401(k) PLAN*

*MAY 2, 2022 AND DECEMBER 31, 2021*

## INDEX

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## INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator  
of the Sunvair 401(k) Plan

### **Scope and Nature of the ERISA Section 103(a)(3)(C) Audit**

We have performed audits of the accompanying financial statements of Sunvair 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C). The financial statements comprise the statements of net assets available for benefits as of May 2, 2022 (in liquidation) and December 31, 2021 (ongoing), and the related statements of changes in net assets available for benefits for the period from January 1, 2022 through May 2, 2022 (in liquidation) and the year ended December 31, 2021 (ongoing), and the related notes to the financial statements (financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audits of Sunvair 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 audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of May 2, 2022 and for the period from January 1, 2022 through May 2, 2022, and as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note C to the financial statements, is complete and accurate.

### **Opinion on the Financial Statements**

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

- the amounts and disclosures in the accompanying 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 (GAAP).
- the information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

## **Basis for Opinion on the Financial Statements**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sunvair 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audits. 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.

## **Emphasis of Matter – Basis of Accounting**

As described in Note A-1 to the financial statements, the Board of Directors of Sunvair, Inc., the Plan's sponsor, decided effective November 21, 2021 to terminate the Plan effective May 2, 2022. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting used to determine the amounts at which investments in net assets available for benefits are stated, from the ongoing plan basis to the liquidation basis for periods after December 31, 2021. Our opinion is not modified with respect to that matter.

## **Responsibilities of Management for the Financial Statements**

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

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 Financial Statements**

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

In performing an audit in accordance with GAAS, we:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Sunvair 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.

Our audits did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 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 GAAP.

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

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

## **Other Matters**

### **Supplemental Schedules Required by ERISA**

The supplemental schedules of assets (held at end of year) as of December 31, 2021 and delinquent participant contributions for the period from January 1, 2022 through May 2, 2022 and for the year ended December 31, 2021, 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 audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental 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).

Hedman Partners LLP

Valencia, California  
March 1, 2023

**SUNVAIR 401(k) PLAN**  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
MAY 2, 2022 AND DECEMBER 31, 2021

---

|                                    | May 2,<br>2022 | December 31,<br>2021 |
|------------------------------------|----------------|----------------------|
| ASSETS:                            |                |                      |
| Non-interest bearing cash          | \$ -           | \$ 3,617             |
| Investments at fair value          | -              | 11,731,013           |
| Notes receivable from participants | -              | 151,190              |
| Net assets available for benefits  | \$ <u>-</u>    | \$ <u>11,885,820</u> |

See accompanying notes.

**SUNVAIR 401(k) PLAN**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**FOR THE PERIOD FROM JANUARY 1, 2022 THROUGH MAY 2, 2022**  
**AND FOR THE YEAR ENDED DECEMBER 31, 2021**

|  | <u>May 2,<br/>2022</u> | <u>December 31,<br/>2021</u> |
|--|------------------------|------------------------------|
| <b>ADDITIONS TO NET ASSETS ATTRIBUTED TO:</b>                |                        |                              |
| Investment income  |                        |                              |
| Net (depreciation) appreciation in fair value of investments | \$ (1,491,896)         | \$ 1,418,337                 |
| Interest income on notes receivable from participants        | 2,978                  | 10,821                       |
| Contributions  |                        |                              |
| Employer safe harbor matching contributions                  | 94,869                 | 136,421                      |
| Participant deferrals  | 166,581                | 485,068                      |
| Rollover   | -                      | 2,418                        |
| Total contributions  | <u>261,450</u>         | <u>623,907</u>               |
| Total additions  | (1,227,468)            | 2,053,065                    |
| <b>DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:</b>             |                        |                              |
| Benefits paid to participants                                | 1,009,602              | 1,834,439                    |
| Corrective distributions                                     | -                      | 729                          |
| Administrative expenses                                      | 5,842                  | 64,655                       |
| Total deductions   | <u>1,015,444</u>       | <u>1,899,823</u>             |
| Net (decrease) increase                                      | (2,242,912)            | 153,242                      |
| <b>NET ASSETS AVAILABLE FOR BENEFITS:</b>                    |                        |                              |
| Beginning of period  | 11,885,820             | 11,732,578                   |
| Transfers out of the Plan                                    | <u>(9,642,908)</u>     | <u>-</u>                     |
| End of period  | <u>\$ -</u>            | <u>\$ 11,885,820</u>         |

See accompanying notes.

## **NOTE A - DESCRIPTION OF THE PLAN**

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

### **1. General**

The Plan was a defined contribution plan established by Sunvair, Inc. and a participating employer (collectively, the "Employer") under the provisions of Section 401(a) of the Internal Revenue Code ("IRC") and was subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan provided for a qualified cash or deferred arrangement as described in Section 401(k) of the IRC, for the benefit of eligible employees of the Employer. The plan administrator was responsible for the oversight of the Plan, determining the appropriateness of the Plan's investment offerings, and monitoring investment performance. John Hancock Life Insurance Company (U.S.A.) (the "Custodian") was responsible for the custody and management of the Plan's assets.

Effective November 21, 2021, the Board of Directors of the Employer announced the termination of the Plan related to the acquisition of an affiliate. The decision was made to merge the Plan and the Plan of the affiliate into a successor plan. Assets totaling \$9,642,908, including notes receivable from participants, were transferred to the successor plan on May 2, 2022. All affected participants became fully-vested in their participant accounts.

### **2. Eligibility**

All non-union and non-leased employees who were U.S. residents could participate in the Plan after one year of service and attainment of age 21, based on monthly entry dates. Eligible employees were also eligible for Employer discretionary contributions, safe harbor matching contributions and Employer discretionary profit sharing contributions upon one year of service (see Note H).

### **3. Contributions**

Participants could elect to contribute, on a tax-deferred basis or after-tax Roth basis, from 1% to 100% of their eligible compensation, subject to certain limitations under the IRC. Participants who had attained age 50 before the end of the plan year were also eligible to make catch-up contributions. Participants could direct contributions, as desired, in any of several investments offered by the Custodian and could change their investment options daily. The Employer could make discretionary contributions, and effective January 1, 2022, safe harbor matching contributions equal to 100% of the participant's elective deferrals that were not in excess of 4% of the participant's compensation (see Note H).

The Employer could also make a discretionary profit sharing contribution for each active and eligible participant, in an amount subject to determination on an annual basis by the Board of Directors of the Employer.

**NOTE A - DESCRIPTION OF THE PLAN (Continued)**

**4. Participant Accounts**

Each participant's account was credited with the participant's contributions and the Employer's safe harbor matching contribution, as well as allocations of the Employer's discretionary profit sharing contributions, if applicable, and Plan earnings. Participant accounts were charged with an allocation of administrative expenses that were paid by the plan. Allocations were based on participant earnings, account balances or specific participant transactions, as defined. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

**5. Notes Receivable From Participants**

Participants could borrow from their account a minimum of \$1,000 up to a maximum of 50% of their vested account balance (not to exceed \$50,000 less the highest outstanding loan balance during the prior twelve-month period). The loans were secured by the balance in the participant's account. Participants could have two loans outstanding at any time. All loans bore a rate of interest of prime plus 2% as determined by the plan administrator at the time of issuance. Loans were paid back within five years of the date of issuance in accordance with terms established by the plan administrator, or over a longer period if issued for the purchase of a principal residence or were transferred to the successor plan. Loans were due and payable upon the participant's termination of employment with the Employer.

**6. Vesting**

Employee contributions, Employer qualified non-elective contributions, Employer safe harbor matching contributions, rollovers and actual earnings on all such contributions were fully vested at all times. Vesting of Employer discretionary profit sharing contributions and actual earnings thereon, were based upon the participant's years of service with the Employer as follows:

| <u>Years of Service</u> | <u>Vesting Percentage</u> |
|-------------------------|---------------------------|
| Less than 1             | 0%                        |
| 1                       | 10%                       |
| 2                       | 20%                       |
| 3                       | 40%                       |
| 4                       | 60%                       |
| 5                       | 80%                       |
| 6                       | 100%                      |

**NOTE A - DESCRIPTION OF THE PLAN (Continued)**

**7. Benefit Payments**

Upon termination of employment with the Employer, a participant could receive a lump sum disbursement if his or her vested account balance was less than \$1,000. If the vested account balance was between \$1,000 and \$5,000, a lump sum was distributed when the participant elected. For balances greater than \$5,000, the participant was entitled to a lump sum amount (see Note H). In the event of death or total and permanent disability, a participant's beneficiary or the participant was entitled to the total value of the participant's account. In addition, upon attaining age 59½, participants could receive distributions. Hardship withdrawals were also permitted if certain criteria are met.

**8. Administrative Expenses**

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

**9. Forfeitures**

Forfeitures of terminated participants' non-vested accounts could be applied against future Employer contributions (see Note H). During the period from January 1, 2022 through May 2, 2022, \$1,962 of prior year distributions that had not been settled by participants were returned to the Plan, and forfeitures totaling \$5,579 were refunded to the Employer. During the year ended December 31, 2021, there was no use of forfeitures, and \$3,617 of unallocated forfeitures were included in net assets available for benefits.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting**

The accompanying financial statements of the Plan have been prepared on the liquidation basis of accounting.

**2. Estimates**

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

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**3. Investment Valuation and Income Recognition**

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

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

**4. Notes Receivable From Participants**

Notes receivable from participants were measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income was recorded on the accrual basis. Related fees were recorded as administrative expenses and were expensed when they were incurred. No allowance for credit losses has been recorded as of May 2, 2022 and December 31, 2021. Delinquent participant loans were reclassified as distributions based upon the terms of the plan document.

**5. Excess Contributions Payable**

Amounts payable to participants for contributions in excess of amounts allowed by the IRS were recorded as a liability with a corresponding increase to deductions from net assets.

**6. Benefit Payments**

Benefits were recorded when paid.

**NOTE C - CERTIFICATION BY CUSTODIAN**

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, all of the investment information, including investment income, included in the accompanying financial statements and supplemental schedules has been certified as complete and accurate by the Custodian of the Plan.

#### **NOTE D - FAIR VALUE MEASUREMENTS**

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

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodology used for assets measured at fair value. There were no changes in the methodology used at December 31, 2021.

*Pooled separate accounts:* Valued at the fund's net asset value reflecting all investments at fair value, including direct and indirect interests in mutual funds, as reported by the fund manager, held by the Plan at year-end.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation method is 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 value measurement at the reporting date.

**SUNVAIR 401(k) PLAN**  
NOTES TO THE FINANCIAL STATEMENTS  
MAY 2, 2022 AND DECEMBER 31, 2021

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**NOTE D – FAIR VALUE MEASUREMENTS (Continued)**

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

|                                 | <u>Level 1</u> | <u>Level 2</u>       | <u>Level 3</u> | <u>Total</u>         |
|---------------------------------|----------------|----------------------|----------------|----------------------|
| Pooled separate accounts        | \$ <u>-</u>    | \$ <u>11,731,013</u> | \$ <u>-</u>    | \$ <u>11,731,013</u> |
| Total investments at fair value | \$ <u>-</u>    | \$ <u>11,731,013</u> | \$ <u>-</u>    | \$ <u>11,731,013</u> |

**NOTE E - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS**

The Custodian was a party-in-interest with respect to the Plan. Investments were held with and managed by the Custodian. Fees incurred by the Plan for the investment management services were included in net (depreciation) appreciation in fair value of the investments, as they were paid through revenue sharing rather than direct payment. Additional fees could be paid directly to the Custodian or other parties-in-interest. Notes receivable and the related interest income were considered related party transactions.

**NOTE F - INCOME TAX STATUS**

The Internal Revenue Service ("IRS") issued an opinion letter to the third party administrator ("TPA") dated June 30, 2020, that the adopted prototype plan and related trust were designed in accordance with applicable sections of the IRC (see Note H). Although the Plan did not seek a favorable determination letter with respect to the initial adoption of the plan document, nor with any plan restatement or amendments, the plan administrator believed that the Plan was designed and was being operated in compliance with the applicable requirements of the IRC and, therefore, believed that the Plan was qualified, and the related trust was tax exempt.

GAAP required plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan had taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The plan administrator had analyzed the tax positions taken by the plan, and had concluded that as of May 2, 2022 and December 31, 2021, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

**NOTE G - PROHIBITED TRANSACTIONS**

During the years ended December 31, 2021, 2019 and 2018, the Employer failed to remit participant contributions to the Plan on a timely basis, as required by DOL Reg. 2510.3-102, resulting in prohibited transactions. The Employer is in the process of computing the lost earnings related to the late remittances.

**NOTE H - PLAN AMENDMENT AND RESTATEMENT**

Effective January 1, 2021, the Plan was restated upon the adoption of a non-standardized pre-approved plan offered by a service provider of the TPA. In addition, IRS provided an opinion letter to the service provider dated June 30, 2020, that the restated plan and related trust are designed in accordance with applicable sections of the IRC (see Note F). The restatement provided for a discretionary match and for a safe harbor matching contribution effective January 1, 2022 (see Notes A-2 and A-3). In addition, the restatement removed the option of installment payments and modified the use of forfeitures to be used for future employer contributions only (see Notes A-7 and A-9). There were no other material modifications to the provisions of the Plan.

SUPPLEMENTAL SCHEDULES FURNISHED  
PURSUANT TO DOL REGULATIONS UNDER ERISA  
THE PERIOD FROM JANUARY 1, 2022 THROUGH MAY 2, 2022  
AND THE YEAR ENDED DECEMBER 31, 2021

**SUNVAIR 401(k) PLAN**

EIN: 32-0443184 PLAN: 002

## SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2021

| <i>(a)</i> | <i>(b)</i><br><i>Identity of issue, borrower,<br/>lessor, or similar party</i> | <i>(c)</i><br><i>Description of Investment including<br/>maturity date, rate of interest,<br/>collateral, par or maturity value</i> | <i>(d)</i><br><i>Cost**</i> | <i>(e)</i><br><i>Current<br/>Value</i> |
|------------|--|---|-----------------------------|--|
| *          | TIAA-CREF Lifecycle Index Ret  | Pooled Separate Account   | \$ -                        | \$ 101,682                             |
| *          | TIAA-CREF Lifecycle Index 2015   | Pooled Separate Account   | -                           | 33,208                                 |
| *          | TIAA-CREF Lifecycle Index 2020   | Pooled Separate Account   | -                           | 522,140                                |
| *          | TIAA-CREF Lifecycle Index 2025   | Pooled Separate Account   | -                           | 1,782,886                              |
| *          | TIAA-CREF Lifecycle Index 2030   | Pooled Separate Account   | -                           | 2,185,073                              |
| *          | TIAA-CREF Lifecycle Index 2035   | Pooled Separate Account   | -                           | 1,141,998                              |
| *          | TIAA-CREF Lifecycle Index 2040   | Pooled Separate Account   | -                           | 3,455,367                              |
| *          | TIAA-CREF Lifecycle Index 2045   | Pooled Separate Account   | -                           | 40,903                                 |
| *          | TIAA-CREF Lifecycle Index 2050   | Pooled Separate Account   | -                           | 29,309                                 |
| *          | TIAA-CREF Lifecycle Index 2055   | Pooled Separate Account   | -                           | 59,450                                 |
| *          | TIAA-CREF Lifecycle Index 2060   | Pooled Separate Account   | -                           | 314,970                                |
| *          | TIAA-CREF Lifecycle Index 2065   | Pooled Separate Account   | -                           | 2,613                                  |
| *          | JH Stable Value Fund   | Pooled Separate Account   | -                           | 46,431                                 |
| *          | PIMCO Intl Bond USD-Hedged   | Pooled Separate Account   | -                           | 1,812                                  |
| *          | PIMCO Income Fund  | Pooled Separate Account   | -                           | 139,483                                |
| *          | Fidelity Advisor Total Bond  | Pooled Separate Account   | -                           | 18,517                                 |
| *          | American Balanced Fund   | Pooled Separate Account   | -                           | 213,469                                |
| *          | Washington Mutual Investors  | Pooled Separate Account   | -                           | 56,196                                 |

See independent auditor's report.

**SUNVAIR 401(k) PLAN**

EIN: 32-0443184 PLAN: 002

## SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (CONTINUED)

DECEMBER 31, 2021

| <i>(a)</i> | <i>(b)</i><br><i>Identity of issue, borrower,<br/>lessor, or similar party</i> | <i>(c)</i><br><i>Description of Investment including<br/>maturity date, rate of interest,<br/>collateral, par or maturity value</i> | <i>(d)</i><br><i>Cost**</i> | <i>(e)</i><br><i>Current<br/>Value</i> |
|------------|--|---|-----------------------------|--|
| *          | Vanguard Value Index Fund  | Pooled Separate Account   | -                           | 1,890                                  |
| *          | Vanguard Growth Index Fund   | Pooled Separate Account   | -                           | 142,463                                |
| *          | JP Morgan U.S. Equity Fund   | Pooled Separate Account   | -                           | 62,554                                 |
| *          | JP Morgan Large Cap Growth   | Pooled Separate Account   | -                           | 303,538                                |
| *          | 500 Index Fund   | Pooled Separate Account   | -                           | 9,766                                  |
| *          | Vanguard Small Cap Value Index   | Pooled Separate Account   | -                           | 6,768                                  |
| *          | Vanguard Small Cap Growth Index  | Pooled Separate Account   | -                           | 15,610                                 |
| *          | Vanguard Mid-Cap Value Fund  | Pooled Separate Account   | -                           | 8,901                                  |
| *          | Vanguard Small Cap Growth Index  | Pooled Separate Account   | -                           | 1,951                                  |
| *          | Tocqueville Gold Fund  | Pooled Separate Account   | -                           | 7,835                                  |
| *          | T. Rowe Price Health Science   | Pooled Separate Account   | -                           | 41,120                                 |
| *          | Small Cap Index Fund   | Pooled Separate Account   | -                           | 945                                    |
| *          | Science & Technology Fund  | Pooled Separate Account   | -                           | 195,389                                |
| *          | Mid Value Fund   | Pooled Separate Account   | -                           | 1,078                                  |
| *          | MidCap Growth Fund   | Pooled Separate Account   | -                           | 339,701                                |
| *          | Mid Cap Index Fund   | Pooled Separate Account   | -                           | 995                                    |
| *          | Invesco Small Cap Growth   | Pooled Separate Account   | -                           | 146,256                                |
| *          | Hardford Schrodgers US Mid Cap   | Pooled Separate Account   | -                           | 88,007                                 |

See independent auditor's report.

**SUNVAIR 401(k) PLAN**

EIN: 32-0443184 PLAN: 002

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (CONTINUED)

DECEMBER 31, 2021

| <i>(a)</i> | <i>(b)</i><br><i>Identity of issue, borrower,<br/>lessor, or similar party</i> | <i>(c)</i><br><i>Description of Investment including<br/>maturity date, rate of interest,<br/>collateral, par or maturity value</i> | <i>(d)</i><br><i>Cost**</i> | <i>(e)</i><br><i>Current<br/>Value</i> |
|------------|--|---|-----------------------------|--|
| *          | Hardford International Oppor   | Pooled Separate Account   | -                           | 53,919                                 |
| *          | Fidelity International Index   | Pooled Separate Account   | -                           | 11,036                                 |
| *          | DFA U.S. Small Cap Fund  | Pooled Separate Account   | -                           | 92,040                                 |
| *          | Cohen & Steers Real Estate   | Pooled Separate Account   | -                           | 31,447                                 |
| *          | American Century EM Fund   | Pooled Separate Account   | -                           | 21,399                                 |
| *          | Templeton World Fund   | Pooled Separate Account   | -                           | 898                                    |
| *          | Notes receivable from participants   | 5.25% - 7.50%   | -                           | 151,190                                |
| TOTAL      |  |   | \$ -                        | \$ 11,882,203                          |

\* A party-in-interest as defined by ERISA

\*\* Not required for participant-directed accounts

See independent auditor's report.

**SUNVAIR 401(k) PLAN**

EIN: 32-0443184 PLAN: 002

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS  
FOR THE PERIOD FROM JANUARY 1, 2022 THROUGH MAY 2, 2022  
AND FOR THE YEAR ENDED DECEMBER 31, 2021

| <i>Participant Contributions Transferred Late to Plan</i>                                      | <i>Total That Constitute Nonexempt Prohibited Transactions</i> |  |                                    | <i>Total Fully Corrected Under Voluntary Fiduciary Correction Program (VFCP) and Prohibited Transaction Exemption 2002-51**</i> |
|--|--|--|------------------------------------|---|
|  | <i>Contributions Not Corrected</i>                             | <i>Contributions Corrected Outside VFCP*</i> | <i>Pending Correction in VFCP*</i> |   |
| <i>Check Here If Late Participant Loan Repayments Are Included</i><br><input type="checkbox"/> |  |  |                                    |   |

|     |                 |                 |             |             |             |
|-----|-----------------|-----------------|-------------|-------------|-------------|
| [1] | \$ 248          | \$ 248          | \$ -        | \$ -        | \$ -        |
| [2] | 1,899           | 1,899           | -           | -           | -           |
| [3] | 1,357           | 1,357           | -           | -           | -           |
|     | <b>\$ 3,504</b> | <b>\$ 3,504</b> | <b>\$ -</b> | <b>\$ -</b> | <b>\$ -</b> |

\* Voluntary Fiduciary Correction Program

\*\* Prohibited Transaction Exemption

[1] Related to late remittances for the year ended December 31, 2018

[2] Related to late remittances for the year ended December 31, 2019

[3] Related to late remittances for the year ended December 31, 2021

See independent auditor's report.

