

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	▶ ☒
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	▶ ☐

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>PMHG 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>04/01/1999</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>04/01/1999</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>04/01/1999</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>PM HOSPITALITY STRATEGIES, INC.</u> <u>5425 WISCONSIN AVENUE STE 700</u> <u>CHEVY CHASE, MD 20815</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>54-1811207</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>202-787-3340</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>721110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>54-1811207</u>	2c Plan Sponsor's telephone number <u>202-787-3340</u>	2d Business code (see instructions) <u>721110</u>	
2b Employer Identification Number (EIN) <u>54-1811207</u>					
2c Plan Sponsor's telephone number <u>202-787-3340</u>					
2d Business code (see instructions) <u>721110</u>					

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	07/06/2023	JAMES O'HARA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name PM HOSPITALITY STRATEGIES INC. c Plan Name PMHS EMPLOYEES NEST EGG 401K PLAN		4b EIN 54-1811207 4d PN 001	
5 Total number of participants at the beginning of the plan year		5	1812
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	1630
a(2) Total number of active participants at the end of the plan year		6a(2)	2362
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	0
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	2362
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	2362
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	474
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2J 2K 2T 3D 2G 2E 2F			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan PMHG 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 PM HOSPITALITY STRATEGIES, INC.	D Employer Identification Number (EIN) 54-1811207	

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

(a) Name of insurance carrier
AMERICAN UNITED LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
35-0145825	60895	G36410	0	01/01/2021	12/06/2021

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

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

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

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
KESTRA INVESTMENT SERVICES
5707 SOUTHWEST PKWY
STE 2-400
AUSTIN, TX 78735

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
37153	0	N/A	3

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end	4	0
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	0

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

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

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

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

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

b	Balance at the end of the previous year	7b	747297
c	Additions: (1) Contributions deposited during the year	7c(1)	46806
	(2) Dividends and credits.....	7c(2)	0
	(3) Interest credited during the year.....	7c(3)	4295
	(4) Transferred from separate account.....	7c(4)	214221
	(5) Other (specify below)..... ▶ LOAN REPAYMENT	7c(5)	3922
	(6) Total additions	7c(6)	269244
d	Total of balance and additions (add lines 7b and 7c(6))	7d	1016541
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	73879
	(2) Administration charge made by carrier.....	7e(2)	17648
	(3) Transferred to separate account.....	7e(3)	57415
	(4) Other (specify below)..... ▶ TRANSFER TO OUTSIDE SOURCE	7e(4)	867599
	(5) Total deductions	7e(5)	1016541
f	Balance at the end of the current year (subtract line 7e(5) from line 7d).....	7f	0

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	0
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	0
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

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

Part IV Provision of Information

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

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

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

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan PMHG 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 PM HOSPITALITY STRATEGIES, INC.	D Employer Identification Number (EIN) 54-1811207	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
AMERICAN UNITED LIFE INSURANCE CO
35-0145825

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

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

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

SNYDER COHN

52-1022232

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 50 64	NONE	16500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

AMERICAN UNITED LIFE INSURANCE CO

35-0145825

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 38 50 66 67	NONE	6156	Yes ☒ No ☐	Yes ☐ No ☒	71198	Yes ☐ No ☒

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	RECORDKEEPER	50	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN UNITED LIFE INSURANCE CO	66 67	71198

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN UNITED LIFE INSURANCE CO 35-0145825	ASSET CHARGE

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

A Name of plan <u>PMHG 401(K) PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>PM HOSPITALITY STRATEGIES, INC.</u>	D Employer Identification Number (EIN) <u>54-1811207</u>
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Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: SEPARATE ACCOUNT II

b Name of sponsor of entity listed in (a): AMERICAN UNITED LIFE INSURANCE CO

c EIN-PN <u>35-0145825-000</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD RET I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES

c EIN-PN <u>47-2248665-211</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>572393</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: BR EAFE EQUITY INDEX

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

c EIN-PN <u>20-3802495-007</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>131334</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP GROWTH I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN <u>38-4126247-549</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>523580</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2045 I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES

c EIN-PN <u>47-2516187-220</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>995951</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAP GRTH II I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN <u>82-4435820-375</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1415058</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: CORE PLUS BOND I1

b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.

c EIN-PN <u>38-4116854-515</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>231434</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2025 I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2285799-214	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2833022
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2055 I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2563528-223	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 426508
a Name of MTIA, CCT, PSA, or 103-12 IE: BLKRK EQUITY INDEX		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST		
c EIN-PN 20-3802168-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1122762
a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CP VALUE I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.		
c EIN-PN 38-4065329-426	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 408459
a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VAL II I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.		
c EIN-PN 38-4097325-488	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 171333
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2035 I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2478524-217	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2536488
a Name of MTIA, CCT, PSA, or 103-12 IE: BR US DEBT INDEX		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST		
c EIN-PN 20-3802445-010	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 194096
a Name of MTIA, CCT, PSA, or 103-12 IE: STABLE VALUE FUND I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.		
c EIN-PN 85-4031707-653	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 871771
a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GR II I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.		
c EIN-PN 38-4126288-592	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 453570
a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP VALUE FEE I1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.		
c EIN-PN 38-4139852-630	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 212301

Part II Information on Participating Plans (to be completed by DFEs)

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan PMHG 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 PM HOSPITALITY STRATEGIES, INC.	D Employer Identification Number (EIN) 54-1811207	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions.....	1b(2)	89611	99368
(3) Other	1b(3)	3284	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	566690	393494
(9) Value of interest in common/collective trusts.....	1c(9)	0	13100060
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	11512073	1280891
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	747297	0
(15) Other.....	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1) 0	0
(2)	Employer real property.....	1d(2) 0	0
e	Buildings and other property used in plan operation	1e 0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f 12918955	14873813
Liabilities			
g	Benefit claims payable	1g 0	0
h	Operating payables	1h 0	0
i	Acquisition indebtedness.....	1i 0	0
j	Other liabilities.....	1j 79211	103846
k	Total liabilities (add all amounts in lines 1g through 1j)	1k 79211	103846
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l 12839744	14769967

Part II Income and Expense Statement

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

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A) 0	
	(B) Participants	2a(1)(B) 1166818	
	(C) Others (including rollovers).....	2a(1)(C) 777320	
(2)	Noncash contributions.....	2a(2) 0	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)	1944138
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A) 0	
	(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) 15503	
	(F) Other	2b(1)(F) 3179	
	(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)	18682
(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) 40103	
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)	40103
(3)	Rents	2b(3)	0
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A) 0	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B) 0	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A) 0	
	(B) Other	2b(5)(B) 0	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		289815
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1120022
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		3412760
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1355208	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1355208
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		106848
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	20481	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		20481
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1482537
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		1930223
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: SNYDER COHN PC

(2) EIN: 52-1022232

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a	X		5787836

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	
4n		X	

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan PMHG 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 PM HOSPITALITY STRATEGIES, INC.		D Employer Identification Number (EIN) 54-1811207
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 35-0145825 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2021 v. 201209		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

14a

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

14b

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

14c

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

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

15a

b The corresponding number for the second preceding plan year.....

15b

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

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

16a

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

16b

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

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

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

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

a Enter the percentage of plan assets held as:

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

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

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

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

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

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

PMHG 401(k) Plan

Financial Statements

Years Ended December 31, 2021 and 2020

PMHG 401(k) Plan
Financial Statements and
Form 5500 Supplemental Attachments to Schedule H
Years Ended December 31, 2021 and 2020

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Independent Auditor's Report

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, Maryland

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

We have performed an audit of the accompanying financial statements of PMHG 401(k) Plan (the "Plan"), and formerly known as PMHS Employees Nest Egg 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) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

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

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

Opinion

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



**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PMHG 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

- 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 PMHG 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PMHG 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the 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 accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedule of Schedule of Assets (Held at End of Year) and the Schedule of Delinquent Participant Contributions are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

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 qualified institutions agrees to or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in black ink that reads "Snyder Cohn, PC". The signature is written in a cursive, flowing style.

SNYDER COHN, PC
North Bethesda, Maryland
June 12, 2023

Independent Auditor's Report

**To the Participants and Plan Administrator of
PMHG 401(k) Plan (formerly known as PMHS Employees Nest Egg 401(k) Plan)
Chevy Chase, Maryland**

We were engaged to audit the accompanying statement of net assets available for benefits of PMHS Employees Nest Egg 401(k) Plan as of December 31, 2020, and the related statement of changes in net assets for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 2020 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by American United Life Insurance Company (AUL), the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2020, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements.



**To the Participants and Plan Administrator of
PMHG 401(k) Plan**
Chevy Chase, MD

**Report on Form and Content in Compliance With DOL Rules and Regulations for 2020
Financial Statements**

The form and content of the information included in the 2020 financial statements, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Snyder Cohn, PC". The signature is written in a cursive, flowing style.

SNYDER COHN, PC
North Bethesda, Maryland
June 12, 2023

PMHG 401(k) Plan

Statements of Net Assets Available for Benefits

December 31	2021	2020
Assets:		
Investments:		
Investments, at fair value	\$ 14,380,948	\$ 11,512,073
Investments, at contract value	-	747,297
Total investments	<u>14,380,948</u>	<u>12,259,370</u>
Receivables:		
Participants' contributions receivable	99,368	92,895
Notes receivable from participants	393,494	566,690
Total receivables	<u>492,862</u>	<u>659,585</u>
Total assets	14,873,810	12,918,955
Liabilities:		
Excess contributions payable	<u>103,846</u>	<u>79,211</u>
Net assets available for benefits	<u>\$ 14,769,964</u>	<u>\$ 12,839,744</u>

See Independent Auditor's Report and Accompanying Notes

PMHG 401(k) Plan

Statements of Changes in Net Assets Available for Benefits

For the years ended December 31	2021	2020
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value		
of investments	\$ 1,413,013	\$ 1,565,833
Dividends	40,103	-
	<u>1,453,116</u>	<u>1,565,833</u>
Interest income on notes receivable from participants	15,503	14,176
Contributions:		
Participants	1,166,818	1,117,965
Rollovers	<u>777,320</u>	<u>807,150</u>
Total additions	<u>3,412,757</u>	<u>3,505,124</u>
Deductions from net assets attributed to:		
Benefits paid to participants	1,462,056	1,834,459
Administrative expenses	<u>20,481</u>	<u>25,168</u>
Total deductions	<u>1,482,537</u>	<u>1,859,627</u>
Net increase	1,930,220	1,645,497
Net assets available for benefits:		
Beginning of year	<u>12,839,744</u>	<u>11,194,247</u>
End of year	<u><u>\$ 14,769,964</u></u>	<u><u>\$ 12,839,744</u></u>

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies:

The following description of the PMHG 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan that was established April 1, 1999 by PM Hospitality Strategies, Inc., now called PM Hotel Group (the “Company”) to provide benefits to eligible employees. The Plan covers employees who are age 21 or older and have completed three months of service. Prior to December 1, 2021, the Plan's service requirement was six months. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). In 2021, the Plan changed its name from PMHS Employees Nest Egg 401(k) Plan to PMHG 401(k) Plan.

Basis of accounting - The accompanying financial statements are prepared on the accrual basis of accounting.

Administration - Under the terms of the Plan, designated officers of the Company act as trustees. Effective December 2021, the Company has contracted with Fidelity Management Trust Company (Fidelity) to act as third-party administrator, custodian and recordkeeper. Prior to December 2021, the Company had contracted with American United Life Insurance Company (AUL) to act as third-party administrator, custodian, and recordkeeper. Participant recordkeeping fees and fees related to the administration of distributions and notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Audit and mailing fees are also generally paid from the Plan's forfeiture balances. Investment-related expenses are included in net appreciation of fair value of investments. Administrative expenses totaled \$20,481 and \$25,168 for the years ended December 31, 2021 and 2020, respectively.

Investment valuation and income recognition - Investments of the Plan are held by Fidelity and by AUL as of December 31, 2021 and 2020, respectively, and invested based solely upon instructions received from participants. Investments are reported at fair value (except for the fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Investment valuation and income recognition (continued) - As of December 31, 2020, the Plan was invested in a stable value fund known as the AUL Stable Value Account; an interest-earning investment option backed by AUL's general account assets. Interest was credited to the account at the current rate declared by AUL, which may be changed on January 1st of each year. The minimum interest rate guarantee was 0%. This contract met the fully benefit-responsive investment contract criteria and therefore was reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the contract. Contract value, as reported to the Plan by AUL, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA, or (5) premature termination of the contract. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, and (4) a material amendment to the agreement without the consent of the issuer.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. The Plan administrator believes all notes receivable from participants are collectible.

Excess contributions payable - Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding increase to benefits paid to participants. The Plan distributed the 2021 excess contributions to the applicable participants in March 2022. The distributions of the 2020 excess contributions currently remain unpaid. The Company paid the necessary 10% excise tax on excess contributions for 2021, while the excise tax for 2020 remains unpaid. For 2020, due to delays in the completion of the required non-discrimination testing, the Plan could not make the required payments in advance of the IRS deadline.

Payment of benefits - Benefits are recorded when paid.

Income taxes - The Internal Revenue Service has determined and informed the Company by a letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions. There are currently no audits for any tax periods in progress.

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

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Risks and uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits. As a result of the COVID-19 virus, which was declared a pandemic by the World Health Organization on March 11, 2020, there has been heightened market risk and volatility, which has had and could continue to have material effects on participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits, as mentioned above. Because of the uncertainty of the markets during this time, Plan management is unable to estimate the total impact the pandemic will have.

Plan amendments - On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act includes a series of temporary provisions that plan sponsors may choose to adopt relating to participant loans and distributions. After the passing of the CARES Act, the Plan chose to adopt the following temporary provisions: (1) allowing for a one-year deferral of loan repayments due between March 27, 2020 and December 31, 2020, and (2) allowing for qualified individuals to take coronavirus-related distributions, as defined in the CARES Act, of up to \$100,000 during 2020. Plan management intends to formally amend the Plan in order to reflect these changes.

In December 2021, the Plan terminated its contract with AUL and transferred its assets to Fidelity. The Plan then contracted with Fidelity to act as custodian and recordkeeper and amended and restated its Plan Documents in order to conform to a Fidelity pre-approved plan. Upon amending and restating its Plan Documents, the Plan made various changes to its policies, including amending the service requirement from six months to three months, amending the vesting schedule so that employees still active in December 2021 become fully vested in their employer contribution balances after four years of credited service, allowing for participants to make Roth elective deferrals, and applying the following exclusions to eligible compensation: 1) reimbursements and other expense allowances, 2) fringe benefits, 3) moving expenses, 4) deferred compensation, 5) welfare benefits, 6) unused leave, and 7) recognition awards. Additionally, the amended Plan Documents provide that after the 2021 Plan year, service time will be credited under the elapsed time method rather than under the general method.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 2: Participation and benefits:

Participant contributions - Participants may elect to have the Company contribute a percentage of their eligible pre-tax compensation up to the amount allowable under current income tax regulations. Participants who elect to have the Company contribute a portion of their compensation to the Plan agree to accept an equivalent reduction in taxable compensation. Effective December 2021, participants may make Roth elective deferrals, which are made after taxes have been withheld. Participants may contribute a combination of pre-tax elective deferrals and Roth elective deferrals. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Contributions withheld are invested in accordance with the participant's direction. Participants are also allowed to make rollover contributions of amounts received from other tax-qualified employer-sponsored retirement plans. Such contributions are deposited in the appropriate investment funds in accordance with the participant's direction and the Plan's provisions.

Employer contributions - The Company may make discretionary employer matching contributions as defined in the Plan and as approved by the Board of Trustees. The Company did not make a discretionary employer matching contribution for the year ended December 31, 2021. For the year ended December 31, 2020, the employer match was equal to 50% of each eligible participant's elective deferrals during the first quarter of the year not exceeding 4% of first quarter compensation, multiplied by a factor of approximately 15% so that the contribution could be funded entirely from the Plan's forfeiture balance. The Company may make a discretionary profit sharing contribution to the Plan for participants employed on the last day of the Plan year. No discretionary profit sharing contribution was made for the years ended December 31, 2021 and 2020.

Participant accounts - Each participant's account is credited with the participant's contributions, Plan earnings or losses, administrative expenses and an allocation of the Company's contribution, if any. Allocation of the Company's employer matching contributions is based on participant contributions. Allocation of the Company's discretionary profit sharing contributions is based on participants' compensation. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their salary deferral and rollover contributions and related earnings. Participants vest ratably and are fully vested in the employer's contributions allocated to their account after six years of credited service if terminated prior to December 2021, or after four years of credited service if still actively employed with the Company in December 2021.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 2: Participation and benefits: (continued)

Forfeited accounts - At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$106,047 and \$79,916, respectively. These accounts will be used to reduce future employer contributions and pay administrative fees. For the years ended December 31, 2021 and 2020, forfeitures of \$-0- and \$42,759, respectively, were used to reduce employer contributions, and forfeitures of \$17,600 and \$19,517, respectively, were used to pay administrative fees.

Payment of benefits - Upon termination, the participant or beneficiary will receive the benefits in a lump-sum amount equal to the participant's vested interest in their account, or in installments, paid at least annually over a period not exceeding the joint and survivor life expectancy of the participant and beneficiary. The Plan allows for lump-sum distributions of participant vested account balances which do not exceed \$5,000.

Notes receivable from participants - The Plan allows participants to borrow a minimum of \$1,000 and up to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the participant's vested account balance and bear interest at the available market financing rates. The loans must be repaid to the Plan within a five-year period, unless the loan is used for the purchase of a primary residence. The specific terms and conditions of such loans are established by the Plan administrator. Principal and interest is paid ratably through payroll deductions.

Note 3: Certified information:

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule of assets (held at end of year), including investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends for the years ended December 31, 2021 and 2020, was obtained and derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity, the custodian of the Plan effective December 2021, and by AUL, the custodian of the Plan prior to December 2021. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule. In addition, the information in the Form 5500 Supplemental Attachment to Schedule H (Schedule of Assets Held at End of Year) has been certified by Fidelity as of December 31, 2021.

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements:

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

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

Level 2 - inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements: (continued)

Collective investment trusts - valued at the NAV of units of a bank collective trust. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The Plan's collective investment trusts seek to provide long-term investors with an asset allocation strategy designed to maximize assets for retirement consistent with the risk level and projected retirement date associated with each fund. They are designed to automatically adjust their risk over time, gradually shifting from a focus on capital appreciation to one of capital preservation. Investments in collective investment trusts are redeemable daily. Collective investment trusts have not been classified in the fair value hierarchy.

Separate accounts - stated at fair value based on the NAV of the accumulation units of each investment account held by the Plan. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account less its liabilities. Separate accounts are invested by AUL exclusively in shares of a specific mutual fund or other investment entities as directed by the participant. Separate accounts are redeemable daily. Separate accounts have not been categorized within the fair value hierarchy.

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

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 1,280,890	\$ -	\$ -	\$ 1,280,890
Collective investment trusts (measured at NAV)	-	-	-	13,100,058
Total investments at fair value	<u>\$ 1,280,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$14,380,948</u>

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements: (continued)

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

	Level 1	Level 2	Level 3	Total
Total investments in the fair value hierarchy	\$ -	\$ -	\$ -	\$ -
Separate accounts (measured at NAV)	-	-	-	11,512,073
Total investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,512,073</u>

Note 5: Plan obligations:

At December 31, 2021 and 2020, respectively, net assets available for plan benefits included \$0- and \$23,338 due to withdrawing participants for distributions which had been processed and approved for payment prior to year end but not yet paid.

Note 6: Related party transactions and party-in-interest transactions:

Certain Plan investments are shares of mutual funds held by Fidelity effective December 2021, and pooled separate accounts managed by AUL prior to December 2021. Fidelity and AUL are the custodians and therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for investment management services are included in net appreciation in the fair value of investments, as they are paid through revenue sharing, rather than a direct payment. Additionally, the Plan issues loans to participants, which are secured by the participants' accounts. These transactions are considered party-in-interest transactions.

Note 7: Reconciliation of financial statements to Schedule H of Form 5500:

The differences between the information reported in the financial statements and the information reported in the Form 5500 arise from classification differences in investments and investment income.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 8: Plan termination and/or modification:

The Company intends to continue the Plan indefinitely for the benefit of its employees; however, it reserves the right to terminate and/or modify the Plan at any time by resolution of its Board of Directors and subject to the provisions of ERISA. In the event the Plan is terminated in the future, participants would become fully vested in their accounts.

Note 9: Prohibited transactions:

During 2021 and 2020, the Plan sponsor did not remit certain participant contributions to the Plan in a timely manner, as defined by ERISA. These contributions are considered nonexempt party-in-interest transactions which may result in an imposition of a 15 percent excise tax to the Plan sponsor on the amount of the transactions. The Plan sponsor intends to compensate participants for any lost earnings resulting from the delay in contributions. These nonexempt transactions do not affect the tax status determination of the Plan, and the Company intends to pay any fines imposed.

Note 10: Subsequent events:

In 2022, the Company merged with another hotel management company. In June 2023, the Plan merged its assets with those of the other company's 401(k) plan. As a result, approximately \$1 million of new assets are to be added to the Plan in June 2023.

Also, in June 2023, the Plan was amended to prohibit participants from making non-Roth after-tax contributions.

Subsequent events have been evaluated through June 12, 2023, which is the date the financial statements were available to be issued.

PMHG 401(k) Plan

FORM 5500

SUPPLEMENTAL ATTACHMENTS TO SCHEDULE H

December 31, 2021

PMHG 401(k) Plan
EIN 54-1811207 Plan #001

Form 5500 Supplemental Attachment to Schedule H
as of December 31, 2021

CERTIFIED

Schedule H, Part IV, line 4i - Schedule of Assets (Held at End of Year)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment	Cost	Current value	
Alliance Bernstein	Large Cap Growth Fund	n/a	\$ 1,415,058	
American Century	Mid Cap Value Fund	n/a	212,300	
American Century	Small Cap Value Fund	n/a	171,333	
American Funds	Europac Growth Fund	n/a	331,146	
BlackRock	Mid Cap Growth Fund	n/a	523,580	
BlackRock	EAFE Equity Index Fund	n/a	131,334	
BlackRock	US Debt Index Fund	n/a	194,096	
BlackRock	Equity Index	n/a	1,122,762	
Calvert	US Large-Cap Core Responsible Index	n/a	53,567	
* Fidelity	Mid Cap Index Fund	n/a	350,041	
* Fidelity	Small Cap Index Fund	n/a	300,535	
FlexPATH Strategies	Moderate Retirement	n/a	572,393	
FlexPATH Strategies	Moderate 2025	n/a	2,833,022	
FlexPATH Strategies	Moderate 2035	n/a	2,536,488	
FlexPATH Strategies	Moderate 2045	n/a	995,951	
FlexPATH Strategies	Moderate 2055	n/a	426,508	
PGIM	Core Plus Bond	n/a	231,434	
PGIM	High Yield Fund	n/a	245,601	
Putnam	Large Cap Value Fund	n/a	408,459	
Putnam	Stable Value I1	n/a	871,771	
T. Rowe Price	Small Cap Growth Fund	n/a	453,569	
Total investments at fair value			14,380,948	
* Notes receivable from participants	Interest at 4.25%	-	393,494	
Total			<u>\$ 14,774,442</u>	

* Fidelity is the Plan trustee and custodian and a party-in interest - qualifies as an exempt transaction.

See Independent Auditor's Report and Accompanying Notes

PMHG 401(k) Plan
EIN 54-1811207 Plan #001

Form 5500 Supplemental Attachment to Schedule H
for the year ended December 31, 2021

Schedule H, Part IV, line 4a - Schedule of Delinquent Participant Contributions

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
	\$5,787,836			

See Independent Auditor's Report and Accompanying Notes

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PMHG 401(k) Plan

Financial Statements

Years Ended December 31, 2021 and 2020

PMHG 401(k) Plan
Financial Statements and
Form 5500 Supplemental Attachments to Schedule H
Years Ended December 31, 2021 and 2020

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Independent Auditor's Report

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, Maryland

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

We have performed an audit of the accompanying financial statements of PMHG 401(k) Plan (the "Plan"), and formerly known as PMHS Employees Nest Egg 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) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

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

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

Opinion

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



**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PMHG 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

- 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 PMHG 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PMHG 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the 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 accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedule of Schedule of Assets (Held at End of Year) and the Schedule of Delinquent Participant Contributions are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

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 qualified institutions agrees to or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in black ink that reads "Snyder Cohn, PC". The signature is written in a cursive, flowing style.

SNYDER COHN, PC
North Bethesda, Maryland
June 12, 2023

Independent Auditor's Report

**To the Participants and Plan Administrator of
PMHG 401(k) Plan (formerly known as PMHS Employees Nest Egg 401(k) Plan)
Chevy Chase, Maryland**

We were engaged to audit the accompanying statement of net assets available for benefits of PMHS Employees Nest Egg 401(k) Plan as of December 31, 2020, and the related statement of changes in net assets for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 2020 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by American United Life Insurance Company (AUL), the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2020, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements.



**To the Participants and Plan Administrator of
PMHG 401(k) Plan**
Chevy Chase, MD

**Report on Form and Content in Compliance With DOL Rules and Regulations for 2020
Financial Statements**

The form and content of the information included in the 2020 financial statements, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Snyder Cohn, PC". The signature is written in a cursive, flowing style.

SNYDER COHN, PC
North Bethesda, Maryland
June 12, 2023

PMHG 401(k) Plan

Statements of Net Assets Available for Benefits

December 31	2021	2020
Assets:		
Investments:		
Investments, at fair value	\$ 14,380,948	\$ 11,512,073
Investments, at contract value	-	747,297
Total investments	<u>14,380,948</u>	<u>12,259,370</u>
Receivables:		
Participants' contributions receivable	99,368	92,895
Notes receivable from participants	393,494	566,690
Total receivables	<u>492,862</u>	<u>659,585</u>
Total assets	14,873,810	12,918,955
Liabilities:		
Excess contributions payable	<u>103,846</u>	<u>79,211</u>
Net assets available for benefits	<u>\$ 14,769,964</u>	<u>\$ 12,839,744</u>

See Independent Auditor's Report and Accompanying Notes

PMHG 401(k) Plan

Statements of Changes in Net Assets Available for Benefits

For the years ended December 31	2021	2020
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 1,413,013	\$ 1,565,833
Dividends	40,103	-
	<u>1,453,116</u>	<u>1,565,833</u>
Interest income on notes receivable from participants	15,503	14,176
Contributions:		
Participants	1,166,818	1,117,965
Rollovers	<u>777,320</u>	<u>807,150</u>
Total additions	<u>3,412,757</u>	<u>3,505,124</u>
Deductions from net assets attributed to:		
Benefits paid to participants	1,462,056	1,834,459
Administrative expenses	<u>20,481</u>	<u>25,168</u>
Total deductions	<u>1,482,537</u>	<u>1,859,627</u>
Net increase	1,930,220	1,645,497
Net assets available for benefits:		
Beginning of year	<u>12,839,744</u>	<u>11,194,247</u>
End of year	<u>\$ 14,769,964</u>	<u>\$ 12,839,744</u>

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies:

The following description of the PMHG 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan that was established April 1, 1999 by PM Hospitality Strategies, Inc., now called PM Hotel Group (the “Company”) to provide benefits to eligible employees. The Plan covers employees who are age 21 or older and have completed three months of service. Prior to December 1, 2021, the Plan's service requirement was six months. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). In 2021, the Plan changed its name from PMHS Employees Nest Egg 401(k) Plan to PMHG 401(k) Plan.

Basis of accounting - The accompanying financial statements are prepared on the accrual basis of accounting.

Administration - Under the terms of the Plan, designated officers of the Company act as trustees. Effective December 2021, the Company has contracted with Fidelity Management Trust Company (Fidelity) to act as third-party administrator, custodian and recordkeeper. Prior to December 2021, the Company had contracted with American United Life Insurance Company (AUL) to act as third-party administrator, custodian, and recordkeeper. Participant recordkeeping fees and fees related to the administration of distributions and notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Audit and mailing fees are also generally paid from the Plan's forfeiture balances. Investment-related expenses are included in net appreciation of fair value of investments. Administrative expenses totaled \$20,481 and \$25,168 for the years ended December 31, 2021 and 2020, respectively.

Investment valuation and income recognition - Investments of the Plan are held by Fidelity and by AUL as of December 31, 2021 and 2020, respectively, and invested based solely upon instructions received from participants. Investments are reported at fair value (except for the fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Investment valuation and income recognition (continued) - As of December 31, 2020, the Plan was invested in a stable value fund known as the AUL Stable Value Account; an interest-earning investment option backed by AUL's general account assets. Interest was credited to the account at the current rate declared by AUL, which may be changed on January 1st of each year. The minimum interest rate guarantee was 0%. This contract met the fully benefit-responsive investment contract criteria and therefore was reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the contract. Contract value, as reported to the Plan by AUL, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA, or (5) premature termination of the contract. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, and (4) a material amendment to the agreement without the consent of the issuer.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. The Plan administrator believes all notes receivable from participants are collectible.

Excess contributions payable - Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding increase to benefits paid to participants. The Plan distributed the 2021 excess contributions to the applicable participants in March 2022. The distributions of the 2020 excess contributions currently remain unpaid. The Company paid the necessary 10% excise tax on excess contributions for 2021, while the excise tax for 2020 remains unpaid. For 2020, due to delays in the completion of the required non-discrimination testing, the Plan could not make the required payments in advance of the IRS deadline.

Payment of benefits - Benefits are recorded when paid.

Income taxes - The Internal Revenue Service has determined and informed the Company by a letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions. There are currently no audits for any tax periods in progress.

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Risks and uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits. As a result of the COVID-19 virus, which was declared a pandemic by the World Health Organization on March 11, 2020, there has been heightened market risk and volatility, which has had and could continue to have material effects on participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits, as mentioned above. Because of the uncertainty of the markets during this time, Plan management is unable to estimate the total impact the pandemic will have.

Plan amendments - On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act includes a series of temporary provisions that plan sponsors may choose to adopt relating to participant loans and distributions. After the passing of the CARES Act, the Plan chose to adopt the following temporary provisions: (1) allowing for a one-year deferral of loan repayments due between March 27, 2020 and December 31, 2020, and (2) allowing for qualified individuals to take coronavirus-related distributions, as defined in the CARES Act, of up to \$100,000 during 2020. Plan management intends to formally amend the Plan in order to reflect these changes.

In December 2021, the Plan terminated its contract with AUL and transferred its assets to Fidelity. The Plan then contracted with Fidelity to act as custodian and recordkeeper and amended and restated its Plan Documents in order to conform to a Fidelity pre-approved plan. Upon amending and restating its Plan Documents, the Plan made various changes to its policies, including amending the service requirement from six months to three months, amending the vesting schedule so that employees still active in December 2021 become fully vested in their employer contribution balances after four years of credited service, allowing for participants to make Roth elective deferrals, and applying the following exclusions to eligible compensation: 1) reimbursements and other expense allowances, 2) fringe benefits, 3) moving expenses, 4) deferred compensation, 5) welfare benefits, 6) unused leave, and 7) recognition awards. Additionally, the amended Plan Documents provide that after the 2021 Plan year, service time will be credited under the elapsed time method rather than under the general method.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 2: Participation and benefits:

Participant contributions - Participants may elect to have the Company contribute a percentage of their eligible pre-tax compensation up to the amount allowable under current income tax regulations. Participants who elect to have the Company contribute a portion of their compensation to the Plan agree to accept an equivalent reduction in taxable compensation. Effective December 2021, participants may make Roth elective deferrals, which are made after taxes have been withheld. Participants may contribute a combination of pre-tax elective deferrals and Roth elective deferrals. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Contributions withheld are invested in accordance with the participant's direction. Participants are also allowed to make rollover contributions of amounts received from other tax-qualified employer-sponsored retirement plans. Such contributions are deposited in the appropriate investment funds in accordance with the participant's direction and the Plan's provisions.

Employer contributions - The Company may make discretionary employer matching contributions as defined in the Plan and as approved by the Board of Trustees. The Company did not make a discretionary employer matching contribution for the year ended December 31, 2021. For the year ended December 31, 2020, the employer match was equal to 50% of each eligible participant's elective deferrals during the first quarter of the year not exceeding 4% of first quarter compensation, multiplied by a factor of approximately 15% so that the contribution could be funded entirely from the Plan's forfeiture balance. The Company may make a discretionary profit sharing contribution to the Plan for participants employed on the last day of the Plan year. No discretionary profit sharing contribution was made for the years ended December 31, 2021 and 2020.

Participant accounts - Each participant's account is credited with the participant's contributions, Plan earnings or losses, administrative expenses and an allocation of the Company's contribution, if any. Allocation of the Company's employer matching contributions is based on participant contributions. Allocation of the Company's discretionary profit sharing contributions is based on participants' compensation. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their salary deferral and rollover contributions and related earnings. Participants vest ratably and are fully vested in the employer's contributions allocated to their account after six years of credited service if terminated prior to December 2021, or after four years of credited service if still actively employed with the Company in December 2021.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 2: Participation and benefits: (continued)

Forfeited accounts - At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$106,047 and \$79,916, respectively. These accounts will be used to reduce future employer contributions and pay administrative fees. For the years ended December 31, 2021 and 2020, forfeitures of \$-0- and \$42,759, respectively, were used to reduce employer contributions, and forfeitures of \$17,600 and \$19,517, respectively, were used to pay administrative fees.

Payment of benefits - Upon termination, the participant or beneficiary will receive the benefits in a lump-sum amount equal to the participant's vested interest in their account, or in installments, paid at least annually over a period not exceeding the joint and survivor life expectancy of the participant and beneficiary. The Plan allows for lump-sum distributions of participant vested account balances which do not exceed \$5,000.

Notes receivable from participants - The Plan allows participants to borrow a minimum of \$1,000 and up to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the participant's vested account balance and bear interest at the available market financing rates. The loans must be repaid to the Plan within a five-year period, unless the loan is used for the purchase of a primary residence. The specific terms and conditions of such loans are established by the Plan administrator. Principal and interest is paid ratably through payroll deductions.

Note 3: Certified information:

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule of assets (held at end of year), including investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends for the years ended December 31, 2021 and 2020, was obtained and derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity, the custodian of the Plan effective December 2021, and by AUL, the custodian of the Plan prior to December 2021. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule. In addition, the information in the Form 5500 Supplemental Attachment to Schedule H (Schedule of Assets Held at End of Year) has been certified by Fidelity as of December 31, 2021.

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements:

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

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

Level 2 - inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements: (continued)

Collective investment trusts - valued at the NAV of units of a bank collective trust. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The Plan's collective investment trusts seek to provide long-term investors with an asset allocation strategy designed to maximize assets for retirement consistent with the risk level and projected retirement date associated with each fund. They are designed to automatically adjust their risk over time, gradually shifting from a focus on capital appreciation to one of capital preservation. Investments in collective investment trusts are redeemable daily. Collective investment trusts have not been classified in the fair value hierarchy.

Separate accounts - stated at fair value based on the NAV of the accumulation units of each investment account held by the Plan. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account less its liabilities. Separate accounts are invested by AUL exclusively in shares of a specific mutual fund or other investment entities as directed by the participant. Separate accounts are redeemable daily. Separate accounts have not been categorized within the fair value hierarchy.

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

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 1,280,890	\$ -	\$ -	\$ 1,280,890
Collective investment trusts (measured at NAV)	-	-	-	13,100,058
Total investments at fair value	<u>\$ 1,280,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$14,380,948</u>

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements: (continued)

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

	Level 1	Level 2	Level 3	Total
Total investments in the fair value hierarchy	\$ -	\$ -	\$ -	\$ -
Separate accounts (measured at NAV)	-	-	-	11,512,073
Total investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,512,073</u>

Note 5: Plan obligations:

At December 31, 2021 and 2020, respectively, net assets available for plan benefits included \$0- and \$23,338 due to withdrawing participants for distributions which had been processed and approved for payment prior to year end but not yet paid.

Note 6: Related party transactions and party-in-interest transactions:

Certain Plan investments are shares of mutual funds held by Fidelity effective December 2021, and pooled separate accounts managed by AUL prior to December 2021. Fidelity and AUL are the custodians and therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for investment management services are included in net appreciation in the fair value of investments, as they are paid through revenue sharing, rather than a direct payment. Additionally, the Plan issues loans to participants, which are secured by the participants' accounts. These transactions are considered party-in-interest transactions.

Note 7: Reconciliation of financial statements to Schedule H of Form 5500:

The differences between the information reported in the financial statements and the information reported in the Form 5500 arise from classification differences in investments and investment income.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 8: Plan termination and/or modification:

The Company intends to continue the Plan indefinitely for the benefit of its employees; however, it reserves the right to terminate and/or modify the Plan at any time by resolution of its Board of Directors and subject to the provisions of ERISA. In the event the Plan is terminated in the future, participants would become fully vested in their accounts.

Note 9: Prohibited transactions:

During 2021 and 2020, the Plan sponsor did not remit certain participant contributions to the Plan in a timely manner, as defined by ERISA. These contributions are considered nonexempt party-in-interest transactions which may result in an imposition of a 15 percent excise tax to the Plan sponsor on the amount of the transactions. The Plan sponsor intends to compensate participants for any lost earnings resulting from the delay in contributions. These nonexempt transactions do not affect the tax status determination of the Plan, and the Company intends to pay any fines imposed.

Note 10: Subsequent events:

In 2022, the Company merged with another hotel management company. In June 2023, the Plan merged its assets with those of the other company's 401(k) plan. As a result, approximately \$1 million of new assets are to be added to the Plan in June 2023.

Also, in June 2023, the Plan was amended to prohibit participants from making non-Roth after-tax contributions.

Subsequent events have been evaluated through June 12, 2023, which is the date the financial statements were available to be issued.

PMHG 401(k) Plan

FORM 5500

SUPPLEMENTAL ATTACHMENTS TO SCHEDULE H

December 31, 2021

PMHG 401(k) Plan
EIN 54-1811207 Plan #001

Form 5500 Supplemental Attachment to Schedule H
as of December 31, 2021

CERTIFIED

Schedule H, Part IV, line 4i - Schedule of Assets (Held at End of Year)

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment	Cost	Current value
	Alliance Bernstein	Large Cap Growth Fund	n/a	\$ 1,415,058
	American Century	Mid Cap Value Fund	n/a	212,300
	American Century	Small Cap Value Fund	n/a	171,333
	American Funds	Europac Growth Fund	n/a	331,146
	BlackRock	Mid Cap Growth Fund	n/a	523,580
	BlackRock	EAFE Equity Index Fund	n/a	131,334
	BlackRock	US Debt Index Fund	n/a	194,096
	BlackRock	Equity Index	n/a	1,122,762
	Calvert	US Large-Cap Core Responsible Index	n/a	53,567
*	Fidelity	Mid Cap Index Fund	n/a	350,041
*	Fidelity	Small Cap Index Fund	n/a	300,535
	FlexPATH Strategies	Moderate Retirement	n/a	572,393
	FlexPATH Strategies	Moderate 2025	n/a	2,833,022
	FlexPATH Strategies	Moderate 2035	n/a	2,536,488
	FlexPATH Strategies	Moderate 2045	n/a	995,951
	FlexPATH Strategies	Moderate 2055	n/a	426,508
	PGIM	Core Plus Bond	n/a	231,434
	PGIM	High Yield Fund	n/a	245,601
	Putnam	Large Cap Value Fund	n/a	408,459
	Putnam	Stable Value I1	n/a	871,771
	T. Rowe Price	Small Cap Growth Fund	n/a	453,569
Total investments at fair value				14,380,948
*	Notes receivable from participants	Interest at 4.25%	-	393,494
Total				\$ 14,774,442

* Fidelity is the Plan trustee and custodian and a party-in interest - qualifies as an exempt transaction.

See Independent Auditor's Report and Accompanying Notes

PMHG 401(k) Plan
EIN 54-1811207 Plan #001

Form 5500 Supplemental Attachment to Schedule H
for the year ended December 31, 2021

Schedule H, Part IV, line 4a - Schedule of Delinquent Participant Contributions

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
	\$5,787,836			

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PMHG 401(k) Plan

Financial Statements

Years Ended December 31, 2021 and 2020

PMHG 401(k) Plan
Financial Statements and
Form 5500 Supplemental Attachments to Schedule H
Years Ended December 31, 2021 and 2020

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Independent Auditor's Report

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, Maryland

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

We have performed an audit of the accompanying financial statements of PMHG 401(k) Plan (the "Plan"), and formerly known as PMHS Employees Nest Egg 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) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

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

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

Opinion

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



**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PMHG 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

- 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 PMHG 401(k) Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PMHG 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the 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 accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedule of Schedule of Assets (Held at End of Year) and the Schedule of Delinquent Participant Contributions are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

**To the Participants and Plan Administrator of the
PMHG 401(k) Plan**
Chevy Chase, MD

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 qualified institutions agrees to or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in black ink that reads "Snyder Cohn, PC". The signature is written in a cursive, flowing style.

SNYDER COHN, PC
North Bethesda, Maryland
June 12, 2023

Independent Auditor's Report

**To the Participants and Plan Administrator of
PMHG 401(k) Plan (formerly known as PMHS Employees Nest Egg 401(k) Plan)
Chevy Chase, Maryland**

We were engaged to audit the accompanying statement of net assets available for benefits of PMHS Employees Nest Egg 401(k) Plan as of December 31, 2020, and the related statement of changes in net assets for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the 2020 financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by American United Life Insurance Company (AUL), the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2020, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements.



**To the Participants and Plan Administrator of
PMHG 401(k) Plan**
Chevy Chase, MD

**Report on Form and Content in Compliance With DOL Rules and Regulations for 2020
Financial Statements**

The form and content of the information included in the 2020 financial statements, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "Snyder Cohn, PC". The signature is written in a cursive, flowing style.

SNYDER COHN, PC
North Bethesda, Maryland
June 12, 2023

PMHG 401(k) Plan

Statements of Net Assets Available for Benefits

December 31	2021	2020
Assets:		
Investments:		
Investments, at fair value	\$ 14,380,948	\$ 11,512,073
Investments, at contract value	-	747,297
Total investments	<u>14,380,948</u>	<u>12,259,370</u>
Receivables:		
Participants' contributions receivable	99,368	92,895
Notes receivable from participants	393,494	566,690
Total receivables	<u>492,862</u>	<u>659,585</u>
Total assets	14,873,810	12,918,955
Liabilities:		
Excess contributions payable	<u>103,846</u>	<u>79,211</u>
Net assets available for benefits	<u>\$ 14,769,964</u>	<u>\$ 12,839,744</u>

See Independent Auditor's Report and Accompanying Notes

PMHG 401(k) Plan

Statements of Changes in Net Assets Available for Benefits

For the years ended December 31	2021	2020
Additions to net assets attributed to:		
Investment income:		
Net appreciation in fair value of investments	\$ 1,413,013	\$ 1,565,833
Dividends	40,103	-
	<u>1,453,116</u>	<u>1,565,833</u>
Interest income on notes receivable from participants	15,503	14,176
Contributions:		
Participants	1,166,818	1,117,965
Rollovers	<u>777,320</u>	<u>807,150</u>
Total additions	<u>3,412,757</u>	<u>3,505,124</u>
Deductions from net assets attributed to:		
Benefits paid to participants	1,462,056	1,834,459
Administrative expenses	<u>20,481</u>	<u>25,168</u>
Total deductions	<u>1,482,537</u>	<u>1,859,627</u>
Net increase	1,930,220	1,645,497
Net assets available for benefits:		
Beginning of year	<u>12,839,744</u>	<u>11,194,247</u>
End of year	<u>\$ 14,769,964</u>	<u>\$ 12,839,744</u>

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies:

The following description of the PMHG 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan that was established April 1, 1999 by PM Hospitality Strategies, Inc., now called PM Hotel Group (the “Company”) to provide benefits to eligible employees. The Plan covers employees who are age 21 or older and have completed three months of service. Prior to December 1, 2021, the Plan's service requirement was six months. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). In 2021, the Plan changed its name from PMHS Employees Nest Egg 401(k) Plan to PMHG 401(k) Plan.

Basis of accounting - The accompanying financial statements are prepared on the accrual basis of accounting.

Administration - Under the terms of the Plan, designated officers of the Company act as trustees. Effective December 2021, the Company has contracted with Fidelity Management Trust Company (Fidelity) to act as third-party administrator, custodian and recordkeeper. Prior to December 2021, the Company had contracted with American United Life Insurance Company (AUL) to act as third-party administrator, custodian, and recordkeeper. Participant recordkeeping fees and fees related to the administration of distributions and notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Audit and mailing fees are also generally paid from the Plan's forfeiture balances. Investment-related expenses are included in net appreciation of fair value of investments. Administrative expenses totaled \$20,481 and \$25,168 for the years ended December 31, 2021 and 2020, respectively.

Investment valuation and income recognition - Investments of the Plan are held by Fidelity and by AUL as of December 31, 2021 and 2020, respectively, and invested based solely upon instructions received from participants. Investments are reported at fair value (except for the fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Investment valuation and income recognition (continued) - As of December 31, 2020, the Plan was invested in a stable value fund known as the AUL Stable Value Account; an interest-earning investment option backed by AUL's general account assets. Interest was credited to the account at the current rate declared by AUL, which may be changed on January 1st of each year. The minimum interest rate guarantee was 0%. This contract met the fully benefit-responsive investment contract criteria and therefore was reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the contract. Contract value, as reported to the Plan by AUL, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The Plan's ability to receive amounts due is dependent on the issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial Plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA, or (5) premature termination of the contract. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Such events include (1) an uncured violation of the Plan's investment guidelines, (2) a breach of material obligation under the contract, (3) a material misrepresentation, and (4) a material amendment to the agreement without the consent of the issuer.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Notes receivable from participants - Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded. The Plan administrator believes all notes receivable from participants are collectible.

Excess contributions payable - Amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding increase to benefits paid to participants. The Plan distributed the 2021 excess contributions to the applicable participants in March 2022. The distributions of the 2020 excess contributions currently remain unpaid. The Company paid the necessary 10% excise tax on excess contributions for 2021, while the excise tax for 2020 remains unpaid. For 2020, due to delays in the completion of the required non-discrimination testing, the Plan could not make the required payments in advance of the IRS deadline.

Payment of benefits - Benefits are recorded when paid.

Income taxes - The Internal Revenue Service has determined and informed the Company by a letter dated June 30, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions. There are currently no audits for any tax periods in progress.

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: The Plan and its significant accounting policies: (continued)

Risks and uncertainties - The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits. As a result of the COVID-19 virus, which was declared a pandemic by the World Health Organization on March 11, 2020, there has been heightened market risk and volatility, which has had and could continue to have material effects on participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits, as mentioned above. Because of the uncertainty of the markets during this time, Plan management is unable to estimate the total impact the pandemic will have.

Plan amendments - On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act includes a series of temporary provisions that plan sponsors may choose to adopt relating to participant loans and distributions. After the passing of the CARES Act, the Plan chose to adopt the following temporary provisions: (1) allowing for a one-year deferral of loan repayments due between March 27, 2020 and December 31, 2020, and (2) allowing for qualified individuals to take coronavirus-related distributions, as defined in the CARES Act, of up to \$100,000 during 2020. Plan management intends to formally amend the Plan in order to reflect these changes.

In December 2021, the Plan terminated its contract with AUL and transferred its assets to Fidelity. The Plan then contracted with Fidelity to act as custodian and recordkeeper and amended and restated its Plan Documents in order to conform to a Fidelity pre-approved plan. Upon amending and restating its Plan Documents, the Plan made various changes to its policies, including amending the service requirement from six months to three months, amending the vesting schedule so that employees still active in December 2021 become fully vested in their employer contribution balances after four years of credited service, allowing for participants to make Roth elective deferrals, and applying the following exclusions to eligible compensation: 1) reimbursements and other expense allowances, 2) fringe benefits, 3) moving expenses, 4) deferred compensation, 5) welfare benefits, 6) unused leave, and 7) recognition awards. Additionally, the amended Plan Documents provide that after the 2021 Plan year, service time will be credited under the elapsed time method rather than under the general method.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 2: Participation and benefits:

Participant contributions - Participants may elect to have the Company contribute a percentage of their eligible pre-tax compensation up to the amount allowable under current income tax regulations. Participants who elect to have the Company contribute a portion of their compensation to the Plan agree to accept an equivalent reduction in taxable compensation. Effective December 2021, participants may make Roth elective deferrals, which are made after taxes have been withheld. Participants may contribute a combination of pre-tax elective deferrals and Roth elective deferrals. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Contributions withheld are invested in accordance with the participant's direction. Participants are also allowed to make rollover contributions of amounts received from other tax-qualified employer-sponsored retirement plans. Such contributions are deposited in the appropriate investment funds in accordance with the participant's direction and the Plan's provisions.

Employer contributions - The Company may make discretionary employer matching contributions as defined in the Plan and as approved by the Board of Trustees. The Company did not make a discretionary employer matching contribution for the year ended December 31, 2021. For the year ended December 31, 2020, the employer match was equal to 50% of each eligible participant's elective deferrals during the first quarter of the year not exceeding 4% of first quarter compensation, multiplied by a factor of approximately 15% so that the contribution could be funded entirely from the Plan's forfeiture balance. The Company may make a discretionary profit sharing contribution to the Plan for participants employed on the last day of the Plan year. No discretionary profit sharing contribution was made for the years ended December 31, 2021 and 2020.

Participant accounts - Each participant's account is credited with the participant's contributions, Plan earnings or losses, administrative expenses and an allocation of the Company's contribution, if any. Allocation of the Company's employer matching contributions is based on participant contributions. Allocation of the Company's discretionary profit sharing contributions is based on participants' compensation. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their salary deferral and rollover contributions and related earnings. Participants vest ratably and are fully vested in the employer's contributions allocated to their account after six years of credited service if terminated prior to December 2021, or after four years of credited service if still actively employed with the Company in December 2021.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 2: Participation and benefits: (continued)

Forfeited accounts - At December 31, 2021 and 2020, forfeited nonvested accounts totaled \$106,047 and \$79,916, respectively. These accounts will be used to reduce future employer contributions and pay administrative fees. For the years ended December 31, 2021 and 2020, forfeitures of \$-0- and \$42,759, respectively, were used to reduce employer contributions, and forfeitures of \$17,600 and \$19,517, respectively, were used to pay administrative fees.

Payment of benefits - Upon termination, the participant or beneficiary will receive the benefits in a lump-sum amount equal to the participant's vested interest in their account, or in installments, paid at least annually over a period not exceeding the joint and survivor life expectancy of the participant and beneficiary. The Plan allows for lump-sum distributions of participant vested account balances which do not exceed \$5,000.

Notes receivable from participants - The Plan allows participants to borrow a minimum of \$1,000 and up to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the participant's vested account balance and bear interest at the available market financing rates. The loans must be repaid to the Plan within a five-year period, unless the loan is used for the purchase of a primary residence. The specific terms and conditions of such loans are established by the Plan administrator. Principal and interest is paid ratably through payroll deductions.

Note 3: Certified information:

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule of assets (held at end of year), including investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends for the years ended December 31, 2021 and 2020, was obtained and derived from information supplied to the Plan administrator and certified as complete and accurate by Fidelity, the custodian of the Plan effective December 2021, and by AUL, the custodian of the Plan prior to December 2021. The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule. In addition, the information in the Form 5500 Supplemental Attachment to Schedule H (Schedule of Assets Held at End of Year) has been certified by Fidelity as of December 31, 2021.

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements:

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

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

Level 2 - inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

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

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements: (continued)

Collective investment trusts - valued at the NAV of units of a bank collective trust. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The Plan's collective investment trusts seek to provide long-term investors with an asset allocation strategy designed to maximize assets for retirement consistent with the risk level and projected retirement date associated with each fund. They are designed to automatically adjust their risk over time, gradually shifting from a focus on capital appreciation to one of capital preservation. Investments in collective investment trusts are redeemable daily. Collective investment trusts have not been classified in the fair value hierarchy.

Separate accounts - stated at fair value based on the NAV of the accumulation units of each investment account held by the Plan. The NAV, as provided by the custodian, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the account less its liabilities. Separate accounts are invested by AUL exclusively in shares of a specific mutual fund or other investment entities as directed by the participant. Separate accounts are redeemable daily. Separate accounts have not been categorized within the fair value hierarchy.

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

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 1,280,890	\$ -	\$ -	\$ 1,280,890
Collective investment trusts (measured at NAV)	-	-	-	13,100,058
Total investments at fair value	<u>\$ 1,280,890</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$14,380,948</u>

See Independent Auditor's Report

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 4: Fair value measurements: (continued)

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

	Level 1	Level 2	Level 3	Total
Total investments in the fair value hierarchy	\$ -	\$ -	\$ -	\$ -
Separate accounts (measured at NAV)	-	-	-	11,512,073
Total investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,512,073</u>

Note 5: Plan obligations:

At December 31, 2021 and 2020, respectively, net assets available for plan benefits included \$0- and \$23,338 due to withdrawing participants for distributions which had been processed and approved for payment prior to year end but not yet paid.

Note 6: Related party transactions and party-in-interest transactions:

Certain Plan investments are shares of mutual funds held by Fidelity effective December 2021, and pooled separate accounts managed by AUL prior to December 2021. Fidelity and AUL are the custodians and therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for investment management services are included in net appreciation in the fair value of investments, as they are paid through revenue sharing, rather than a direct payment. Additionally, the Plan issues loans to participants, which are secured by the participants' accounts. These transactions are considered party-in-interest transactions.

Note 7: Reconciliation of financial statements to Schedule H of Form 5500:

The differences between the information reported in the financial statements and the information reported in the Form 5500 arise from classification differences in investments and investment income.

PMHG 401(k) Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 8: Plan termination and/or modification:

The Company intends to continue the Plan indefinitely for the benefit of its employees; however, it reserves the right to terminate and/or modify the Plan at any time by resolution of its Board of Directors and subject to the provisions of ERISA. In the event the Plan is terminated in the future, participants would become fully vested in their accounts.

Note 9: Prohibited transactions:

During 2021 and 2020, the Plan sponsor did not remit certain participant contributions to the Plan in a timely manner, as defined by ERISA. These contributions are considered nonexempt party-in-interest transactions which may result in an imposition of a 15 percent excise tax to the Plan sponsor on the amount of the transactions. The Plan sponsor intends to compensate participants for any lost earnings resulting from the delay in contributions. These nonexempt transactions do not affect the tax status determination of the Plan, and the Company intends to pay any fines imposed.

Note 10: Subsequent events:

In 2022, the Company merged with another hotel management company. In June 2023, the Plan merged its assets with those of the other company's 401(k) plan. As a result, approximately \$1 million of new assets are to be added to the Plan in June 2023.

Also, in June 2023, the Plan was amended to prohibit participants from making non-Roth after-tax contributions.

Subsequent events have been evaluated through June 12, 2023, which is the date the financial statements were available to be issued.

PMHG 401(k) Plan

FORM 5500

SUPPLEMENTAL ATTACHMENTS TO SCHEDULE H

December 31, 2021

PMHG 401(k) Plan
EIN 54-1811207 Plan #001

Form 5500 Supplemental Attachment to Schedule H
as of December 31, 2021

CERTIFIED

Schedule H, Part IV, line 4i - Schedule of Assets (Held at End of Year)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment	Cost	Current value	
Alliance Bernstein	Large Cap Growth Fund	n/a	\$ 1,415,058	
American Century	Mid Cap Value Fund	n/a	212,300	
American Century	Small Cap Value Fund	n/a	171,333	
American Funds	Europac Growth Fund	n/a	331,146	
BlackRock	Mid Cap Growth Fund	n/a	523,580	
BlackRock	EAFE Equity Index Fund	n/a	131,334	
BlackRock	US Debt Index Fund	n/a	194,096	
BlackRock	Equity Index	n/a	1,122,762	
Calvert	US Large-Cap Core Responsible Index	n/a	53,567	
* Fidelity	Mid Cap Index Fund	n/a	350,041	
* Fidelity	Small Cap Index Fund	n/a	300,535	
FlexPATH Strategies	Moderate Retirement	n/a	572,393	
FlexPATH Strategies	Moderate 2025	n/a	2,833,022	
FlexPATH Strategies	Moderate 2035	n/a	2,536,488	
FlexPATH Strategies	Moderate 2045	n/a	995,951	
FlexPATH Strategies	Moderate 2055	n/a	426,508	
PGIM	Core Plus Bond	n/a	231,434	
PGIM	High Yield Fund	n/a	245,601	
Putnam	Large Cap Value Fund	n/a	408,459	
Putnam	Stable Value I1	n/a	871,771	
T. Rowe Price	Small Cap Growth Fund	n/a	453,569	
Total investments at fair value				14,380,948
* Notes receivable from participants	Interest at 4.25%	-		393,494
Total				<u>\$ 14,774,442</u>

* Fidelity is the Plan trustee and custodian and a party-in interest - qualifies as an exempt transaction.

See Independent Auditor's Report and Accompanying Notes

PMHG 401(k) Plan
EIN 54-1811207 Plan #001

Form 5500 Supplemental Attachment to Schedule H
for the year ended December 31, 2021

Schedule H, Part IV, line 4a - Schedule of Delinquent Participant Contributions

Participant Contributions Transferred Late to Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if Late Participant Loan Repayments are included: ☒	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
	\$5,787,836			

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MEMORANDUM

TO DEPARTMENT OF TREASURY – INTERNAL REVENUE SERVICES
FROM PM HOSPITALITY STRATEGIES INC
SUBJECT 2021 5500
DATE 10/14/2022
CC

The audit is currently in progress, and that an amended 5500 will be filed along with the final audited financial statements once they are ready.

A handwritten signature in blue ink, appearing to read 'Tara Waites'.

Tara Waites

