

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</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>1ST ADVANTAGE FEDERAL CREDIT UNION 401K PLAN AND TRUST</u>	1b Three-digit plan number (PN) ▶	<u>002</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>1ST ADVANTAGE FEDERAL CREDIT UNION</u> <u>P.O. BOX 2116</u> <u>NEWPORT NEWS, VA 23609-0116</u>		
1c Effective date of plan <u>01/01/1991</u>		
2b Employer Identification Number (EIN) <u>54-0623618</u>		
2c Plan Sponsor's telephone number <u>757-877-2444</u>		
2d Business code (see instructions) <u>522130</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.	09/22/2023	CARRIE CHI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/22/2023	CARRIE CHI
	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 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN	
		4d PN	
5 Total number of participants at the beginning of the plan year		5	237
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6a(1)	180
		6a(2)	190
		6b	1
		6c	47
		6d	238
		6e	0
		6f	238
		6g	238
		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: 2E 2F 2G 2J 2K 2S 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ 1 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

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 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 1ST ADVANTAGE FEDERAL CREDIT UNION 401K PLAN AND TRUST	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 1ST ADVANTAGE FEDERAL CREDIT UNION	D Employer Identification Number (EIN) 54-0623618	

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 PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY
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(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
06-1050034	93629	074084	238	01/01/2022	12/31/2022

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end.....	4	2752468
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	2413869

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 ▶ **GUARANTEED GENERAL CONTRACT ACCOUNT**

b	Balance at the end of the previous year	7b	3469190
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c	Additions: (1) Contributions deposited during the year	7c(1)	197324	
	(2) Dividends and credits	7c(2)		
	(3) Interest credited during the year	7c(3)	49869	
	(4) Transferred from separate account	7c(4)	63922	
	(5) Other (specify below)	7c(5)	385789	

▶ **LOAN REPAYMENTS TRANSFERS IN MISCELLANEOUS IN**

(6) Total additions	7c(6)	696904
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d	Total of balance and additions (add lines 7b and 7c(6))	7d	4166094
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e Deductions:

e	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	934839	
	(2) Administration charge made by carrier	7e(2)	73	
	(3) Transferred to separate account	7e(3)	130656	
	(4) Other (specify below)	7e(4)	348058	

▶ **LOAN INITIATIONS TRANSFERS OUT MISCELLANEOUS OUT, FORFEITURES DEBIT**

(5) Total deductions	7e(5)	1413626
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f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	2752468
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 1ST ADVANTAGE FEDERAL CREDIT UNION 401K PLAN AND TRUST	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 1ST ADVANTAGE FEDERAL CREDIT UNION	D Employer Identification Number (EIN) 54-0623618	

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
PRUDENTIAL RETIREMENT INSURANCE AND
06-1050034

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

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

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

THE ASCENT GROUP, LLC

86-3001816

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	47783	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	42813	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

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
(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.	
(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 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 1ST ADVANTAGE FEDERAL CREDIT UNION 401K PLAN AND TRUST	B Three-digit plan number (PN) ►	002
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 1ST ADVANTAGE FEDERAL CREDIT UNION	D Employer Identification Number (EIN) 54-0623618	

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: LARGE CP GROWTH I		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-274	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1828554
a Name of MTIA, CCT, PSA, or 103-12 IE: SCV/VICTORY FUND		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-701	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 585315
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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

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

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

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 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>1ST ADVANTAGE FEDERAL CREDIT UNION 401K PLAN AND TRUST</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>1ST ADVANTAGE FEDERAL CREDIT UNION</u>	D Employer Identification Number (EIN) <u>54-0623618</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets	(a) Beginning of Year	(b) End of Year
a	Total noninterest-bearing cash.....	1a	
b	Receivables (less allowance for doubtful accounts):		
	(1) Employer contributions.....	1b(1)	
	(2) Participant contributions.....	1b(2)	
	(3) Other.....	1b(3)	
c	General investments:		
	(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	
	(2) U.S. Government securities.....	1c(2)	
	(3) Corporate debt instruments (other than employer securities):		
	(A) Preferred.....	1c(3)(A)	
	(B) All other.....	1c(3)(B)	
	(4) Corporate stocks (other than employer securities):		
	(A) Preferred.....	1c(4)(A)	
	(B) Common.....	1c(4)(B)	
	(5) Partnership/joint venture interests.....	1c(5)	
	(6) Real estate (other than employer real property).....	1c(6)	
	(7) Loans (other than to participants).....	1c(7)	
	(8) Participant loans.....	1c(8)	200752
	(9) Value of interest in common/collective trusts.....	1c(9)	207755
	(10) Value of interest in pooled separate accounts.....	1c(10)	3218680
	(11) Value of interest in master trust investment accounts.....	1c(11)	2413869
	(12) Value of interest in 103-12 investment entities.....	1c(12)	
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	15763770
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	12233294
	(15) Other.....	1c(15)	3469190
			2752468

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	22652392	17607386

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	22652392	17607386
---	-----------	----------	----------

Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	496346	
(B) Participants	2a(1)(B)	881357	
(C) Others (including rollovers)	2a(1)(C)	65835	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1443538
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	8930	
(F) Other	2b(1)(F)	49869	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		58799
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	238363	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		238363
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-1000519
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-2431342
c Other income	2c		102
d Total income. Add all income amounts in column (b) and enter total	2d		-1691059
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3263175	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3263175
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	42279	
(3) Investment advisory and management fees	2i(3)	47783	
(4) Other	2i(4)	710	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		90772
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3353947
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-5045006
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: NEARMAN, MAYNARD, VALLEZ CPA'S

(2) EIN: 59-1906466

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		9000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 1ST ADVANTAGE FEDERAL CREDIT UNION 401K PLAN AND TRUST		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 1ST ADVANTAGE FEDERAL CREDIT UNION		D Employer Identification Number (EIN) 54-0623618
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 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 22-1211670		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
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) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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since 1979.*

**1ST ADVANTAGE FEDERAL CREDIT UNION
401(K) PLAN AND TRUST
REPORT OF INDEPENDENT AUDITORS, FINANCIAL
STATEMENTS, AND SUPPLEMENTAL SCHEDULE**

YEARS ENDED DECEMBER 31, 2022 AND 2021

****FILING COPY****



**Nearman
Maynard • Vallez**
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

**To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust
Yorktown, Virginia**

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

We have performed audits of the financial statements of the 1st Advantage Federal Credit Union 401(k) Plan and Trust, 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 statements of net assets available for benefits as of December 31, 2022, and 2021, and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 1st Advantage Federal Credit Union 401(k) Plan and Trust's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information relates to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2022, and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

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

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 1st Advantage Federal Credit Union 401(k) Plan and Trust and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 1st Advantage Federal Credit Union 401(k) Plan and Trust'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

of 1st Advantage Federal Credit Union 401(k) Plan and Trust'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 1st Advantage Federal Credit Union 401(k) Plan and Trust's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 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 Schedule Required by ERISA

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

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

In our opinion:

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

Nearman, Maynard, Vallez, CPAs, P.A.

Nearman, Maynard, Vallez, CPAs, P.A.
Miami, Florida
September 11, 2023

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
--

	As of December 31,	
	2022	2021
Assets:		
Investments		
Investments at fair value (See note 5)	\$ 14,647,163	\$ 18,982,450
Investments at contract value (See note 3)	2,752,468	3,469,190
Total investments	17,399,631	22,451,640
Receivables		
Notes receivable from participants	207,755	200,752
Employer contributions	91,958	125,050
Total receivables	299,713	325,802
Net assets available for benefits	\$ 17,699,344	\$ 22,777,442

Read the accompanying notes to these financial statements.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
--

	For the year ended December 31, 2022
Additions (Reductions) to net assets attributed to:	
Investment income (loss):	
Net depreciation in fair value of investments	\$ (3,431,759)
Dividends	238,363
Interest	49,869
	<u>(3,143,527)</u>
 Interest income on notes receivable from participants	 <u>8,930</u>
 Contributions:	
Participant	881,357
Employer	463,254
Rollover	65,835
	<u>1,410,446</u>
 Total	 (1,724,151)
 Deductions from net assets attributed to:	
Benefits paid to participants	3,263,175
Administrative expenses	90,772
	<u>3,353,947</u>
 Total	 <u>3,353,947</u>
 Net decrease	 (5,078,098)
 Net assets available for benefits:	
Beginning of year	22,777,442
End of year	<u>\$ 17,699,344</u>

Read the accompanying notes to these financial statements.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

NOTE 1: DESCRIPTION OF PLAN

The following description of 1st Advantage Federal Credit Union 401(k) Plan and Trust (the "Plan") provides general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering substantially all employees of 1st Advantage Federal Credit Union (the "Credit Union"). The Plan is subject to the provision of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility and Vesting: Employees are eligible to participate in the Plan on the first entry date provided the employee attain age 20 and has completed six months of service. Participants are immediately vested in their voluntary and rollover contributions plus actual earnings thereon. All participants who are participating in this plan will be 100% vested in the profit sharing contribution after six years of credited service. Participants are 100% vested in the safe harbor contribution after two years of credited service. Merged employees from NWS will continue to vest in their NWS employer match on a separate 5 year vesting schedule.

Contributions: Participants may elect to defer to the Plan a portion of their eligible earnings on a pre-tax and Roth basis up to the maximum allowed under Section 402(g) of the Internal Revenue Code ("IRC"). Participants may contribute funds from another qualified plan as rollover contributions. The Credit Union makes a qualified safe harbor contribution (QACA) equal to 100% of elective deferrals that do not exceed 4% of compensation. This contribution is made bi-weekly on each pay date in conjunction with the employee's contribution. The Credit Union also makes a profit sharing contribution; percentages are determined by level and are outlined in the Plan Document. The Credit Union may make other discretionary matching contributions and/or qualified non-elective contribution to the Plan. There were no discretionary contributions made for the Plan years ended December 31, 2022 and 2021. The plan has an automatic deferral provision whereas, unless opted out, 4% of compensation will be deferred and will be increased 1% each year, up to a maximum of 10%. The automatic increase will be applied to all deferring participants who have at least 1% of compensation deferred, unless the participant files a Contrary election form after the effective date of the change, which was August 1, 2021. Participants may also contribute amounts representing distributions from other qualified plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

Participant Accounts: Each participant's account is credited with the participant's contribution, allocations of the Credit Union's discretionary and non-discretionary match, and allocations of Plan earnings and losses. Participants' accounts are reduced by administrative expenses and distributions. Allocations are based on participant contributions, participant earnings, or account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participant: Participants may borrow from their fund accounts at a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 3.25% to 6.50%, which is commensurate with local prevailing rates as determined by the plan administrator. Principal and interest is paid ratably through payroll deductions.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

Payment of Benefits: Upon termination of service due to death, disability, or retirement, benefits are paid either in a lump sum, in the form of an annuity for certain contributions related to prior money purchase pension contributions, or in equal installments over a period on not more than the participant's or designated beneficiary's assumed life expectancy at the time of distribution. For termination of service for other reasons, a participant may receive that value of the vested interest in his or her account as a lump-sum distribution.

Forfeitures: A participant vests in the employer contributions in accordance with the provisions of the Plan. Forfeitures of non-vested amounts remain in the Plan and may first be used to pay future contributions of the plan sponsor, pay administrative expenses, or reallocate amongst participants. There were approximately \$6,000 and \$16,000 in forfeited amounts available as of December 31, 2022 and 2021, respectively. There were approximately \$49,000 of forfeitures used to reduce employer contributions and \$1,000 used to pay expenses during the plan year ending December 31, 2022.

NOTE 2: SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation: The Plan's financial statements are on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator/Management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

Investment Valuation and Income Recognition: Investments are reported at fair value except for the fully benefit responsive investment contract which is held at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/(depreciation) includes the plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance. Interest income is recorded when paid. Accrued interest on participant loans is immaterial to the Plan financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits: Benefits are recorded when paid.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

Administrative Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan and are included in these financial statements. The Plan has a revenue sharing expense account whereas income is received in an account based on the performance of the Plan investments. This income is used to offset Plan administrative expenses. The Plan used approximately \$50,000 of this account to pay for administrative expenses for the year ended December 31, 2022. Fees related to the administration of notes receivable and distributions from participants are charged directly to the participant's account and are included in administrative expenses. Investment-related expenses are included in the net appreciation of fair value of investments.

Subsequent Events: Credit Union Management has evaluated subsequent events through September 11, 2023, the date on which the financial statements were available to be issued.

NOTE 3: INVESTMENT CONTRACT

The Plan holds investments in an investment contract with Employer Annuity Insurance Company (formerly Prudential Retirement Insurance and Annuity Company. See Note 6.) The assets invested under this contract are held in an insurance company general account, reported as the Guaranteed Income Fund (GIA) in the Plan's accounting records which are considered fully benefit-responsive. The insurance company maintains the contributions to the account, and the account is credited with actual earnings on the underlying investments and decreased for Plan withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because this contract meets the fully benefit-responsive investment contract criteria, the contract is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by the participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported by the insurance company, 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.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a periodic basis.

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 agreements may be affected by future economic, financial and regulatory developments.

Certain events limit the ability of the Plan to transact at contract value with the issuer. The issuer may defer a Distribution or Termination Disbursement whenever (i) the Distribution or Termination Disbursement amount to be paid from the GIA, plus (ii) all Transfer, Distribution, or Termination Disbursement amounts that were previously or simultaneously paid for any reason in the same calendar year in (i) is computed, from the same pool of Guaranteed Income Fund assets to which the GIA belongs, exceeds 10% of total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs. The Plan Administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are probable of not occurring.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

NOTE 4: INVESTMENTS - UNAUDITED

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2022 and 2021, net appreciation/loss in fair value of investments, and interest and dividends for the year ended December 31, 2022, was obtained and derived from information supplied to the plan administrator and certified as complete and accurate by Employer Annuity Insurance Company. (See Note 6.) This information has not been audited by independent public accountants.

NOTE 5: 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:

The availability of inputs relevant to the asset or liability and the relative reliability of the inputs might affect the selection of appropriate valuation techniques.

Level 1 Inputs

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

Inputs to the valuation methodology include:

- (a) quoted market prices for similar assets or liabilities in active markets;
- (b) quoted market prices for identical or similar assets or liabilities in inactive markets;
- (c) inputs other than quoted market prices that are observable for the asset or liability;
- (d) 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

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

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

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS

Following is a description of the valuation methodologies used for assets measured at fair value as of December 31, 2022 and 2021:

Mutual Funds: Fair values of mutual funds are determined using the mutual fund's Net Asset Values (NAVs) which are generally obtained using either the closing price on the applicable exchange or industry standard vendors.

Pooled separate accounts (PSA): Fair values of PSAs are determined by the mutual fund's NAV for units of account held by the Plan at the valuation date. The Plan's interest in the investments is expressed as "units of account" that is the result of the accumulated values of the underlying investments and have a readily determinable fair value.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

Assets at Fair Value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 12,233,294	\$ -	\$ -	\$ 12,233,294
Pooled separate account	-	2,413,869	-	2,413,869
Total assets at fair value	<u>\$ 12,233,294</u>	<u>\$ 2,413,869</u>	<u>\$ -</u>	<u>\$ 14,647,163</u>

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 15,763,770	\$ -	\$ -	\$ 15,763,770
Pooled separate account	-	3,218,680	-	3,218,680
Total assets at fair value	<u>\$ 15,763,770</u>	<u>\$ 3,218,680</u>	<u>\$ -</u>	<u>\$ 18,982,450</u>

NOTE 6: TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain Plan investments are shares and mutual funds managed by Empower Annuity Insurance Company (Empower). Empower is the custodian and Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. On April 1, 2022, Empower acquired the full-service retirement business of Prudential Financial, Inc., the parent company of Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, FSB., and, therefore, became Trustee and custodian. On October 3, 2022, Prudential Retirement and Annuity Insurance Company was renamed Empower Annuity Insurance Company.

NOTE 7: TAX STATUS

The Internal Revenue Service has determined and informed the Credit Union by a letter dated December 4, 2020, that the Plan is 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 management believes the Plan is designed and being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified, and the related trust is tax-exempt.

1ST ADVANTAGE FEDERAL CREDIT UNION

401(K) PLAN AND TRUST

NOTES TO THE FINANCIAL STATEMENTS

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 Department of Labor or the IRS. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent to do so, 1st Advantage Federal Credit Union has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 9: RECONCILIATION TO FORM 5500

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

	December 31, 2022	December 31, 2021
Net assets available for Plan benefits per the financial statements	\$ 17,699,344	\$ 22,777,442
Less: employer's contributions receivable	(91,958)	(125,050)
Net assets available for Plan benefits per Form 5500	<u>\$ 17,607,386</u>	<u>\$ 22,652,392</u>

The following is a reconciliation of contributions per the financial statements to the Form 5500:

	December 31, 2021
Contributions per the financial statements	\$ 1,410,446
Employer's contributions receivable 2022	(91,958)
Employer's contributions receivable 2021	125,050
Contributions per Form 5500	<u>\$ 1,443,538</u>

NOTE 10: RISKS AND UNCERTAINTIES

The Plan invests in various investments which are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.



1ST ADVANTAGE FEDERAL CREDIT UNION
401(K) PLAN AND TRUST
SCHEDULE H LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Plan Sponsor: 1st Advantage Federal Credit Union
 EIN number: 54-0623618
 Plan number: 002

			As of December 31, 2022	
(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund - Insurance Company General Account	**	\$ 2,752,468
	Prudential Mutual Funds	Vanguard Equ Inco Admiral - Mutual Fund	**	1,938,915
*	Prudential Retirement Insurance and Annuity Company	Large Cp Growth I (TROWE) - Pooled Separate Account	**	1,828,554
	Prudential Mutual Funds	Metropolitan West Total R - Mutual Fund	**	1,706,406
	Prudential Mutual Funds	Vanguard 500 Idx Admiral - Mutual Fund	**	1,573,359
	Prudential Mutual Funds	MFS Intl Intrinsic Val R6 - Mutual Fund	**	1,517,671
	Prudential Mutual Funds	Van Dev Mark Ind Adm - Mutual Fund	**	1,371,565
	Prudential Mutual Funds	Invesco Dev Mkts R6 - Mutual Fund	**	967,274
	Prudential Mutual Funds	T Rowe Qm US SC Grow Equit - Mutual Fund	**	816,136
	Prudential Mutual Funds	AB Global Bond I - Mutual Fund	**	806,434
	Prudential Mutual Funds	AMC Mid Cap Val Vd I - Mutual Fund	**	756,685
	Prudential Mutual Funds	Janus Hen Enterprise - Mutual Fund	**	639,602
*	Prudential Retirement Insurance and Annuity Company	SCV/Victory Fund - Pooled Separate Account	**	585,315
	Prudential Mutual Funds	Van Small Cap Index Adm - Mutual Fund	**	79,623
	Prudential Mutual Funds	Vanguard Mid Cap Index Fd - Mutual Fund	**	59,624
	Total investments			17,399,631
*	Participant loans	Range of Interest Rates - Rates Range from 3.25% - 6.50%	-	207,755
	Total investments and participant loans			<u>\$ 17,607,386</u>

* Denotes party-in-interest

** Cost omitted for participant-directed investments

Note: This information was derived from reports certified by the Plan's custodian.



Nearman
Maynard • Vallez
Certified Public Accountants

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**1ST ADVANTAGE FEDERAL CREDIT UNION
401(K) PLAN AND TRUST
REPORT OF INDEPENDENT AUDITORS, FINANCIAL
STATEMENTS, AND SUPPLEMENTAL SCHEDULE**

YEARS ENDED DECEMBER 31, 2022 AND 2021

****FILING COPY****



**Nearman
Maynard • Vallez**
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

**To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust
Yorktown, Virginia**

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

We have performed audits of the financial statements of the 1st Advantage Federal Credit Union 401(k) Plan and Trust, 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 statements of net assets available for benefits as of December 31, 2022, and 2021, and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 1st Advantage Federal Credit Union 401(k) Plan and Trust's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information relates to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2022, and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

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

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 1st Advantage Federal Credit Union 401(k) Plan and Trust and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 1st Advantage Federal Credit Union 401(k) Plan and Trust'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

of 1st Advantage Federal Credit Union 401(k) Plan and Trust'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 1st Advantage Federal Credit Union 401(k) Plan and Trust's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 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 Schedule Required by ERISA

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

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

In our opinion:

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

Nearman, Maynard, Vallez, CPAs, P.A.

Nearman, Maynard, Vallez, CPAs, P.A.
Miami, Florida
September 11, 2023

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
--

	As of December 31,	
	2022	2021
Assets:		
Investments		
Investments at fair value (See note 5)	\$ 14,647,163	\$ 18,982,450
Investments at contract value (See note 3)	2,752,468	3,469,190
Total investments	17,399,631	22,451,640
Receivables		
Notes receivable from participants	207,755	200,752
Employer contributions	91,958	125,050
Total receivables	299,713	325,802
Net assets available for benefits	\$ 17,699,344	\$ 22,777,442

Read the accompanying notes to these financial statements.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For the year ended December 31, 2022
Additions (Reductions) to net assets attributed to:	
Investment income (loss):	
Net depreciation in fair value of investments	\$ (3,431,759)
Dividends	238,363
Interest	49,869
	<u>(3,143,527)</u>
 Interest income on notes receivable from participants	 <u>8,930</u>
 Contributions:	
Participant	881,357
Employer	463,254
Rollover	65,835
	<u>1,410,446</u>
 Total	 (1,724,151)
 Deductions from net assets attributed to:	
Benefits paid to participants	3,263,175
Administrative expenses	90,772
	<u>3,353,947</u>
 Total	 <u>3,353,947</u>
 Net decrease	 (5,078,098)
 Net assets available for benefits:	
Beginning of year	22,777,442
End of year	<u><u>\$ 17,699,344</u></u>

Read the accompanying notes to these financial statements.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

NOTE 1: DESCRIPTION OF PLAN

The following description of 1st Advantage Federal Credit Union 401(k) Plan and Trust (the "Plan") provides general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering substantially all employees of 1st Advantage Federal Credit Union (the "Credit Union"). The Plan is subject to the provision of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility and Vesting: Employees are eligible to participate in the Plan on the first entry date provided the employee attain age 20 and has completed six months of service. Participants are immediately vested in their voluntary and rollover contributions plus actual earnings thereon. All participants who are participating in this plan will be 100% vested in the profit sharing contribution after six years of credited service. Participants are 100% vested in the safe harbor contribution after two years of credited service. Merged employees from NWS will continue to vest in their NWS employer match on a separate 5 year vesting schedule.

Contributions: Participants may elect to defer to the Plan a portion of their eligible earnings on a pre-tax and Roth basis up to the maximum allowed under Section 402(g) of the Internal Revenue Code ("IRC"). Participants may contribute funds from another qualified plan as rollover contributions. The Credit Union makes a qualified safe harbor contribution (QACA) equal to 100% of elective deferrals that do not exceed 4% of compensation. This contribution is made bi-weekly on each pay date in conjunction with the employee's contribution. The Credit Union also makes a profit sharing contribution; percentages are determined by level and are outlined in the Plan Document. The Credit Union may make other discretionary matching contributions and/or qualified non-elective contribution to the Plan. There were no discretionary contributions made for the Plan years ended December 31, 2022 and 2021. The plan has an automatic deferral provision whereas, unless opted out, 4% of compensation will be deferred and will be increased 1% each year, up to a maximum of 10%. The automatic increase will be applied to all deferring participants who have at least 1% of compensation deferred, unless the participant files a Contrary election form after the effective date of the change, which was August 1, 2021. Participants may also contribute amounts representing distributions from other qualified plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

Participant Accounts: Each participant's account is credited with the participant's contribution, allocations of the Credit Union's discretionary and non-discretionary match, and allocations of Plan earnings and losses. Participants' accounts are reduced by administrative expenses and distributions. Allocations are based on participant contributions, participant earnings, or account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participant: Participants may borrow from their fund accounts at a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 3.25% to 6.50%, which is commensurate with local prevailing rates as determined by the plan administrator. Principal and interest is paid ratably through payroll deductions.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

Payment of Benefits: Upon termination of service due to death, disability, or retirement, benefits are paid either in a lump sum, in the form of an annuity for certain contributions related to prior money purchase pension contributions, or in equal installments over a period on not more than the participant's or designated beneficiary's assumed life expectancy at the time of distribution. For termination of service for other reasons, a participant may receive that value of the vested interest in his or her account as a lump-sum distribution.

Forfeitures: A participant vests in the employer contributions in accordance with the provisions of the Plan. Forfeitures of non-vested amounts remain in the Plan and may first be used to pay future contributions of the plan sponsor, pay administrative expenses, or reallocate amongst participants. There were approximately \$6,000 and \$16,000 in forfeited amounts available as of December 31, 2022 and 2021, respectively. There were approximately \$49,000 of forfeitures used to reduce employer contributions and \$1,000 used to pay expenses during the plan year ending December 31, 2022.

NOTE 2: SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation: The Plan's financial statements are on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator/Management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

Investment Valuation and Income Recognition: Investments are reported at fair value except for the fully benefit responsive investment contract which is held at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/(depreciation) includes the plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance. Interest income is recorded when paid. Accrued interest on participant loans is immaterial to the Plan financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits: Benefits are recorded when paid.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

Administrative Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan and are included in these financial statements. The Plan has a revenue sharing expense account whereas income is received in an account based on the performance of the Plan investments. This income is used to offset Plan administrative expenses. The Plan used approximately \$50,000 of this account to pay for administrative expenses for the year ended December 31, 2022. Fees related to the administration of notes receivable and distributions from participants are charged directly to the participant's account and are included in administrative expenses. Investment-related expenses are included in the net appreciation of fair value of investments.

Subsequent Events: Credit Union Management has evaluated subsequent events through September 11, 2023, the date on which the financial statements were available to be issued.

NOTE 3: INVESTMENT CONTRACT

The Plan holds investments in an investment contract with Employer Annuity Insurance Company (formerly Prudential Retirement Insurance and Annuity Company. See Note 6.) The assets invested under this contract are held in an insurance company general account, reported as the Guaranteed Income Fund (GIA) in the Plan's accounting records which are considered fully benefit-responsive. The insurance company maintains the contributions to the account, and the account is credited with actual earnings on the underlying investments and decreased for Plan withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because this contract meets the fully benefit-responsive investment contract criteria, the contract is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by the participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported by the insurance company, 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.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a periodic basis.

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 agreements may be affected by future economic, financial and regulatory developments.

Certain events limit the ability of the Plan to transact at contract value with the issuer. The issuer may defer a Distribution or Termination Disbursement whenever (i) the Distribution or Termination Disbursement amount to be paid from the GIA, plus (ii) all Transfer, Distribution, or Termination Disbursement amounts that were previously or simultaneously paid for any reason in the same calendar year in (i) is computed, from the same pool of Guaranteed Income Fund assets to which the GIA belongs, exceeds 10% of total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs. The Plan Administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are probable of not occurring.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

NOTE 4: INVESTMENTS - UNAUDITED

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2022 and 2021, net appreciation/loss in fair value of investments, and interest and dividends for the year ended December 31, 2022, was obtained and derived from information supplied to the plan administrator and certified as complete and accurate by Employer Annuity Insurance Company. (See Note 6.) This information has not been audited by independent public accountants.

NOTE 5: 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:

The availability of inputs relevant to the asset or liability and the relative reliability of the inputs might affect the selection of appropriate valuation techniques.

Level 1 Inputs

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

Inputs to the valuation methodology include:

- (a) quoted market prices for similar assets or liabilities in active markets;
- (b) quoted market prices for identical or similar assets or liabilities in inactive markets;
- (c) inputs other than quoted market prices that are observable for the asset or liability;
- (d) 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

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

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

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS

Following is a description of the valuation methodologies used for assets measured at fair value as of December 31, 2022 and 2021:

Mutual Funds: Fair values of mutual funds are determined using the mutual fund's Net Asset Values (NAVs) which are generally obtained using either the closing price on the applicable exchange or industry standard vendors.

Pooled separate accounts (PSA): Fair values of PSAs are determined by the mutual fund's NAV for units of account held by the Plan at the valuation date. The Plan's interest in the investments is expressed as "units of account" that is the result of the accumulated values of the underlying investments and have a readily determinable fair value.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

Assets at Fair Value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 12,233,294	\$ -	\$ -	\$ 12,233,294
Pooled separate account	-	2,413,869	-	2,413,869
Total assets at fair value	<u>\$ 12,233,294</u>	<u>\$ 2,413,869</u>	<u>\$ -</u>	<u>\$ 14,647,163</u>

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 15,763,770	\$ -	\$ -	\$ 15,763,770
Pooled separate account	-	3,218,680	-	3,218,680
Total assets at fair value	<u>\$ 15,763,770</u>	<u>\$ 3,218,680</u>	<u>\$ -</u>	<u>\$ 18,982,450</u>

NOTE 6: TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain Plan investments are shares and mutual funds managed by Empower Annuity Insurance Company (Empower). Empower is the custodian and Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. On April 1, 2022, Empower acquired the full-service retirement business of Prudential Financial, Inc., the parent company of Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, FSB., and, therefore, became Trustee and custodian. On October 3, 2022, Prudential Retirement and Annuity Insurance Company was renamed Empower Annuity Insurance Company.

NOTE 7: TAX STATUS

The Internal Revenue Service has determined and informed the Credit Union by a letter dated December 4, 2020, that the Plan is 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 management believes the Plan is designed and being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified, and the related trust is tax-exempt.

1ST ADVANTAGE FEDERAL CREDIT UNION

401(K) PLAN AND TRUST

NOTES TO THE FINANCIAL STATEMENTS

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 Department of Labor or the IRS. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent to do so, 1st Advantage Federal Credit Union has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 9: RECONCILIATION TO FORM 5500

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

	December 31, 2022	December 31, 2021
Net assets available for Plan benefits per the financial statements	\$ 17,699,344	\$ 22,777,442
Less: employer's contributions receivable	(91,958)	(125,050)
Net assets available for Plan benefits per Form 5500	<u>\$ 17,607,386</u>	<u>\$ 22,652,392</u>

The following is a reconciliation of contributions per the financial statements to the Form 5500:

	December 31, 2021
Contributions per the financial statements	\$ 1,410,446
Employer's contributions receivable 2022	(91,958)
Employer's contributions receivable 2021	125,050
Contributions per Form 5500	<u>\$ 1,443,538</u>

NOTE 10: RISKS AND UNCERTAINTIES

The Plan invests in various investments which are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.



1ST ADVANTAGE FEDERAL CREDIT UNION
401(K) PLAN AND TRUST
SCHEDULE H LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Plan Sponsor: 1st Advantage Federal Credit Union
 EIN number: 54-0623618
 Plan number: 002

			As of December 31, 2022	
(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund - Insurance Company General Account	**	\$ 2,752,468
	Prudential Mutual Funds	Vanguard Equ Inco Admiral - Mutual Fund	**	1,938,915
*	Prudential Retirement Insurance and Annuity Company	Large Cp Growth I (TROWE) - Pooled Separate Account	**	1,828,554
	Prudential Mutual Funds	Metropolitan West Total R - Mutual Fund	**	1,706,406
	Prudential Mutual Funds	Vanguard 500 Idx Admiral - Mutual Fund	**	1,573,359
	Prudential Mutual Funds	MFS Intl Intrinsic Val R6 - Mutual Fund	**	1,517,671
	Prudential Mutual Funds	Van Dev Mark Ind Adm - Mutual Fund	**	1,371,565
	Prudential Mutual Funds	Invesco Dev Mkts R6 - Mutual Fund	**	967,274
	Prudential Mutual Funds	T Rowe Qm US SC Grow Equit - Mutual Fund	**	816,136
	Prudential Mutual Funds	AB Global Bond I - Mutual Fund	**	806,434
	Prudential Mutual Funds	AMC Mid Cap Val Vd I - Mutual Fund	**	756,685
	Prudential Mutual Funds	Janus Hen Enterprise - Mutual Fund	**	639,602
*	Prudential Retirement Insurance and Annuity Company	SCV/Victory Fund - Pooled Separate Account	**	585,315
	Prudential Mutual Funds	Van Small Cap Index Adm - Mutual Fund	**	79,623
	Prudential Mutual Funds	Vanguard Mid Cap Index Fd - Mutual Fund	**	59,624
	Total investments			17,399,631
*	Participant loans	Range of Interest Rates - Rates Range from 3.25% - 6.50%	-	207,755
	Total investments and participant loans			<u>\$ 17,607,386</u>

* Denotes party-in-interest

** Cost omitted for participant-directed investments

Note: This information was derived from reports certified by the Plan's custodian.



Nearman
Maynard • Vallez
Certified Public Accountants

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**1ST ADVANTAGE FEDERAL CREDIT UNION
401(K) PLAN AND TRUST
REPORT OF INDEPENDENT AUDITORS, FINANCIAL
STATEMENTS, AND SUPPLEMENTAL SCHEDULE**

YEARS ENDED DECEMBER 31, 2022 AND 2021

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**Nearman
Maynard • Vallez**
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

**To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust
Yorktown, Virginia**

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

We have performed audits of the financial statements of the 1st Advantage Federal Credit Union 401(k) Plan and Trust, 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 statements of net assets available for benefits as of December 31, 2022, and 2021, and the related statement of changes in net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 1st Advantage Federal Credit Union 401(k) Plan and Trust's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information relates to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2022, and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

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

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 1st Advantage Federal Credit Union 401(k) Plan and Trust and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 1st Advantage Federal Credit Union 401(k) Plan and Trust'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

of 1st Advantage Federal Credit Union 401(k) Plan and Trust'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 1st Advantage Federal Credit Union 401(k) Plan and Trust's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 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 Schedule Required by ERISA

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

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

To the Plan Administrator and Plan Trustees of
1st Advantage Federal Credit Union 401(k) Plan and Trust

In our opinion:

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

Nearman, Maynard, Vallez, CPAs, P.A.

Nearman, Maynard, Vallez, CPAs, P.A.
Miami, Florida
September 11, 2023

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
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	As of December 31,	
	2022	2021
Assets:		
Investments		
Investments at fair value (See note 5)	\$ 14,647,163	\$ 18,982,450
Investments at contract value (See note 3)	2,752,468	3,469,190
Total investments	17,399,631	22,451,640
Receivables		
Notes receivable from participants	207,755	200,752
Employer contributions	91,958	125,050
Total receivables	299,713	325,802
Net assets available for benefits	\$ 17,699,344	\$ 22,777,442

Read the accompanying notes to these financial statements.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
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	For the year ended December 31, 2022
Additions (Reductions) to net assets attributed to:	
Investment income (loss):	
Net depreciation in fair value of investments	\$ (3,431,759)
Dividends	238,363
Interest	49,869
	<u>(3,143,527)</u>
 Interest income on notes receivable from participants	 <u>8,930</u>
 Contributions:	
Participant	881,357
Employer	463,254
Rollover	65,835
	<u>1,410,446</u>
 Total	 (1,724,151)
 Deductions from net assets attributed to:	
Benefits paid to participants	3,263,175
Administrative expenses	90,772
	<u>3,353,947</u>
 Total	 <u>3,353,947</u>
 Net decrease	 (5,078,098)
 Net assets available for benefits:	
Beginning of year	22,777,442
End of year	<u>\$ 17,699,344</u>

Read the accompanying notes to these financial statements.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
--

NOTE 1: DESCRIPTION OF PLAN

The following description of 1st Advantage Federal Credit Union 401(k) Plan and Trust (the "Plan") provides general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering substantially all employees of 1st Advantage Federal Credit Union (the "Credit Union"). The Plan is subject to the provision of the Employee Retirement Income Security Act of 1974 ("ERISA").

Eligibility and Vesting: Employees are eligible to participate in the Plan on the first entry date provided the employee attain age 20 and has completed six months of service. Participants are immediately vested in their voluntary and rollover contributions plus actual earnings thereon. All participants who are participating in this plan will be 100% vested in the profit sharing contribution after six years of credited service. Participants are 100% vested in the safe harbor contribution after two years of credited service. Merged employees from NWS will continue to vest in their NWS employer match on a separate 5 year vesting schedule.

Contributions: Participants may elect to defer to the Plan a portion of their eligible earnings on a pre-tax and Roth basis up to the maximum allowed under Section 402(g) of the Internal Revenue Code ("IRC"). Participants may contribute funds from another qualified plan as rollover contributions. The Credit Union makes a qualified safe harbor contribution (QACA) equal to 100% of elective deferrals that do not exceed 4% of compensation. This contribution is made bi-weekly on each pay date in conjunction with the employee's contribution. The Credit Union also makes a profit sharing contribution; percentages are determined by level and are outlined in the Plan Document. The Credit Union may make other discretionary matching contributions and/or qualified non-elective contribution to the Plan. There were no discretionary contributions made for the Plan years ended December 31, 2022 and 2021. The plan has an automatic deferral provision whereas, unless opted out, 4% of compensation will be deferred and will be increased 1% each year, up to a maximum of 10%. The automatic increase will be applied to all deferring participants who have at least 1% of compensation deferred, unless the participant files a Contrary election form after the effective date of the change, which was August 1, 2021. Participants may also contribute amounts representing distributions from other qualified plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

Participant Accounts: Each participant's account is credited with the participant's contribution, allocations of the Credit Union's discretionary and non-discretionary match, and allocations of Plan earnings and losses. Participants' accounts are reduced by administrative expenses and distributions. Allocations are based on participant contributions, participant earnings, or account balances. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participant: Participants may borrow from their fund accounts at a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at a rate of 3.25% to 6.50%, which is commensurate with local prevailing rates as determined by the plan administrator. Principal and interest is paid ratably through payroll deductions.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
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Payment of Benefits: Upon termination of service due to death, disability, or retirement, benefits are paid either in a lump sum, in the form of an annuity for certain contributions related to prior money purchase pension contributions, or in equal installments over a period on not more than the participant's or designated beneficiary's assumed life expectancy at the time of distribution. For termination of service for other reasons, a participant may receive that value of the vested interest in his or her account as a lump-sum distribution.

Forfeitures: A participant vests in the employer contributions in accordance with the provisions of the Plan. Forfeitures of non-vested amounts remain in the Plan and may first be used to pay future contributions of the plan sponsor, pay administrative expenses, or reallocate amongst participants. There were approximately \$6,000 and \$16,000 in forfeited amounts available as of December 31, 2022 and 2021, respectively. There were approximately \$49,000 of forfeitures used to reduce employer contributions and \$1,000 used to pay expenses during the plan year ending December 31, 2022.

NOTE 2: SUMMARY OF ACCOUNTING POLICIES

Basis of Presentation: The Plan's financial statements are on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator/Management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

Investment Valuation and Income Recognition: Investments are reported at fair value except for the fully benefit responsive investment contract which is held at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation/(depreciation) includes the plan's gains and losses on investments bought and sold as well as held during the year.

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance. Interest income is recorded when paid. Accrued interest on participant loans is immaterial to the Plan financial statements. Related fees are recorded as administrative expenses and are expensed when they are incurred. Delinquent participant loans are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits: Benefits are recorded when paid.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
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Administrative Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan and are included in these financial statements. The Plan has a revenue sharing expense account whereas income is received in an account based on the performance of the Plan investments. This income is used to offset Plan administrative expenses. The Plan used approximately \$50,000 of this account to pay for administrative expenses for the year ended December 31, 2022. Fees related to the administration of notes receivable and distributions from participants are charged directly to the participant's account and are included in administrative expenses. Investment-related expenses are included in the net appreciation of fair value of investments.

Subsequent Events: Credit Union Management has evaluated subsequent events through September 11, 2023, the date on which the financial statements were available to be issued.

NOTE 3: INVESTMENT CONTRACT

The Plan holds investments in an investment contract with Employer Annuity Insurance Company (formerly Prudential Retirement Insurance and Annuity Company. See Note 6.) The assets invested under this contract are held in an insurance company general account, reported as the Guaranteed Income Fund (GIA) in the Plan's accounting records which are considered fully benefit-responsive. The insurance company maintains the contributions to the account, and the account is credited with actual earnings on the underlying investments and decreased for Plan withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Because this contract meets the fully benefit-responsive investment contract criteria, the contract is reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by the participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported by the insurance company, 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.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a periodic basis.

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 agreements may be affected by future economic, financial and regulatory developments.

Certain events limit the ability of the Plan to transact at contract value with the issuer. The issuer may defer a Distribution or Termination Disbursement whenever (i) the Distribution or Termination Disbursement amount to be paid from the GIA, plus (ii) all Transfer, Distribution, or Termination Disbursement amounts that were previously or simultaneously paid for any reason in the same calendar year in (i) is computed, from the same pool of Guaranteed Income Fund assets to which the GIA belongs, exceeds 10% of total assets on January 1 of the year in which (i) is computed in the Guaranteed Income Fund pool to which the GIA belongs. The Plan Administrator believes that any events that would limit the Plan's ability to transact at contract value with participants are probable of not occurring.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS
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NOTE 4: INVESTMENTS - UNAUDITED

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and supplemental schedule, including investments and notes receivable from participants held at December 31, 2022 and 2021, net appreciation/loss in fair value of investments, and interest and dividends for the year ended December 31, 2022, was obtained and derived from information supplied to the plan administrator and certified as complete and accurate by Employer Annuity Insurance Company. (See Note 6.) This information has not been audited by independent public accountants.

NOTE 5: 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:

The availability of inputs relevant to the asset or liability and the relative reliability of the inputs might affect the selection of appropriate valuation techniques.

Level 1 Inputs

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

Inputs to the valuation methodology include:

- (a) quoted market prices for similar assets or liabilities in active markets;
- (b) quoted market prices for identical or similar assets or liabilities in inactive markets;
- (c) inputs other than quoted market prices that are observable for the asset or liability;
- (d) 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

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

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

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS

Following is a description of the valuation methodologies used for assets measured at fair value as of December 31, 2022 and 2021:

Mutual Funds: Fair values of mutual funds are determined using the mutual fund's Net Asset Values (NAVs) which are generally obtained using either the closing price on the applicable exchange or industry standard vendors.

Pooled separate accounts (PSA): Fair values of PSAs are determined by the mutual fund's NAV for units of account held by the Plan at the valuation date. The Plan's interest in the investments is expressed as "units of account" that is the result of the accumulated values of the underlying investments and have a readily determinable fair value.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

Assets at Fair Value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 12,233,294	\$ -	\$ -	\$ 12,233,294
Pooled separate account	-	2,413,869	-	2,413,869
Total assets at fair value	<u>\$ 12,233,294</u>	<u>\$ 2,413,869</u>	<u>\$ -</u>	<u>\$ 14,647,163</u>

Assets at Fair Value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 15,763,770	\$ -	\$ -	\$ 15,763,770
Pooled separate account	-	3,218,680	-	3,218,680
Total assets at fair value	<u>\$ 15,763,770</u>	<u>\$ 3,218,680</u>	<u>\$ -</u>	<u>\$ 18,982,450</u>

NOTE 6: TRANSACTIONS WITH PARTIES-IN-INTEREST

Certain Plan investments are shares and mutual funds managed by Empower Annuity Insurance Company (Empower). Empower is the custodian and Trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. On April 1, 2022, Empower acquired the full-service retirement business of Prudential Financial, Inc., the parent company of Prudential Retirement Insurance and Annuity Company and Prudential Bank & Trust, FSB., and, therefore, became Trustee and custodian. On October 3, 2022, Prudential Retirement and Annuity Insurance Company was renamed Empower Annuity Insurance Company.

NOTE 7: TAX STATUS

The Internal Revenue Service has determined and informed the Credit Union by a letter dated December 4, 2020, that the Plan is 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 management believes the Plan is designed and being operated in compliance with the applicable requirements of the IRC and, therefore, believes the Plan is qualified, and the related trust is tax-exempt.

1ST ADVANTAGE FEDERAL CREDIT UNION 401(K) PLAN AND TRUST NOTES TO THE FINANCIAL STATEMENTS

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 Department of Labor or the IRS. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent to do so, 1st Advantage Federal Credit Union has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 9: RECONCILIATION TO FORM 5500

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

	December 31, 2022	December 31, 2021
Net assets available for Plan benefits per the financial statements	\$ 17,699,344	\$ 22,777,442
Less: employer's contributions receivable	(91,958)	(125,050)
Net assets available for Plan benefits per Form 5500	<u>\$ 17,607,386</u>	<u>\$ 22,652,392</u>

The following is a reconciliation of contributions per the financial statements to the Form 5500:

	December 31, 2021
Contributions per the financial statements	\$ 1,410,446
Employer's contributions receivable 2022	(91,958)
Employer's contributions receivable 2021	125,050
Contributions per Form 5500	<u>\$ 1,443,538</u>

NOTE 10: RISKS AND UNCERTAINTIES

The Plan invests in various investments which are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statement of Net Assets Available for Benefits.



1ST ADVANTAGE FEDERAL CREDIT UNION
401(K) PLAN AND TRUST
SCHEDULE H LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Plan Sponsor: 1st Advantage Federal Credit Union
 EIN number: 54-0623618
 Plan number: 002

			As of December 31, 2022	
(a)	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund - Insurance Company General Account	**	\$ 2,752,468
	Prudential Mutual Funds	Vanguard Equ Inco Admiral - Mutual Fund	**	1,938,915
*	Prudential Retirement Insurance and Annuity Company	Large Cp Growth I (TROWE) - Pooled Separate Account	**	1,828,554
	Prudential Mutual Funds	Metropolitan West Total R - Mutual Fund	**	1,706,406
	Prudential Mutual Funds	Vanguard 500 Idx Admiral - Mutual Fund	**	1,573,359
	Prudential Mutual Funds	MFS Intl Intrinsic Val R6 - Mutual Fund	**	1,517,671
	Prudential Mutual Funds	Van Dev Mark Ind Adm - Mutual Fund	**	1,371,565
	Prudential Mutual Funds	Invesco Dev Mkts R6 - Mutual Fund	**	967,274
	Prudential Mutual Funds	T Rowe Qm US SC Grow Equit - Mutual Fund	**	816,136
	Prudential Mutual Funds	AB Global Bond I - Mutual Fund	**	806,434
	Prudential Mutual Funds	AMC Mid Cap Val Vd I - Mutual Fund	**	756,685
	Prudential Mutual Funds	Janus Hen Enterprise - Mutual Fund	**	639,602
*	Prudential Retirement Insurance and Annuity Company	SCV/Victory Fund - Pooled Separate Account	**	585,315
	Prudential Mutual Funds	Van Small Cap Index Adm - Mutual Fund	**	79,623
	Prudential Mutual Funds	Vanguard Mid Cap Index Fd - Mutual Fund	**	59,624
	Total investments			17,399,631
*	Participant loans	Range of Interest Rates - Rates Range from 3.25% - 6.50%	-	207,755
	Total investments and participant loans			<u>\$ 17,607,386</u>

* Denotes party-in-interest

** Cost omitted for participant-directed investments

Note: This information was derived from reports certified by the Plan's custodian.



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Certified Public Accountants

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