

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>ASSURANCEAMERICA CORPORATION 401(K) RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</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>ASSURANCEAMERICA CORPORATION</u> <u>RIVER EDGE ONE</u> <u>5500 INTERSTATE NORTH PARKWAY, 6TH</u> <u>ATLANTA, GA 30328</u>		
1c Effective date of plan <u>01/01/1999</u>		
2b Employer Identification Number (EIN) <u>87-0281240</u>		
2c Plan Sponsor's telephone number <u>770-952-0200</u>		
2d Business code (see instructions) <u>551112</u>		

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2023	DANIEL SCRUGGS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (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		5 328
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 223
a(2) Total number of active participants at the end of the plan year		6a(2) 248
b Retired or separated participants receiving benefits		6b 2
c Other retired or separated participants entitled to future benefits.....		6c 111
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 361
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 361
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 350
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 1
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: 2F 2G 2J 2K 2T 2E 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) ☐ 0 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 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 ASSURANCEAMERICA CORPORATION 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ASSURANCEAMERICA CORPORATION	D Employer Identification Number (EIN) 87-0281240	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	35876	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

ROYAL ALLIANCE ASSOCIATES INC

93-0987232

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	30500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
AM CENT MDCPVAL INV - AMERICAN CEN 44-0619208	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
BLKRK ENERGY OPPS I - BNY MELLON I 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DAVIS FINANCIAL Y - SS&C TECHNOLOG P.O. BOX 219197 KANSAS, MO 64121	0.15%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
FKLN UTILITIES ADV - FRANKLIN TEMP 94-3167260	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
INVS EQV EM ALLCP R5 - INVESCO INV 11 GREENWAY PLAZA, SUITE 100 HOUSTON, TX 77046	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
J H ENTERPRISE I - JANUS HENDERSON 151 DETROIT STREET DENVER, CO 80206	0.10%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
J H GLB TECH INNV I - JANUS HENDER 151 DETROIT STREET DENVER, CO 80206	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
J H TRITON I - JANUS HENDERSON SER 151 DETROIT STREET DENVER, CO 80206	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIONEER BOND Y - BNY MELLON INVEST 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.23%	

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PIONEER EQ INCOME Y - BNY MELLON I 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP OVERSEAS STOCK - T. ROWE PRICE 52-2269240	0.15%	
(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.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan ASSURANCEAMERICA CORPORATION 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ASSURANCEAMERICA CORPORATION		
D Employer Identification Number (EIN) 87-0281240		
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: MID CAP VALUE R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST, N.A.		
c EIN-PN 38-4139822-616	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 50672
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD RET R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2248665-211	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 195443
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH CON 2025 R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2458234-215	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14967
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH AGR 2035 R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2468898-216	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 46928
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH CON 2035 R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2491300-218	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 35229
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH AGR 2055 R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2554270-222	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6705
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2045 R1		
b Name of sponsor of entity listed in (a): WILMINGTON TRUST FIDUCIARY SERVICES		
c EIN-PN 47-2516187-220	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1163837

a Name of MTIA, CCT, PSA, or 103-12 IE: FA STABLE VALUE I

b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

c EIN-PN 04-3022712-026	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 487845
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH AGR 2025 R1

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

c EIN-PN 47-2275031-213	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1787
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH CON 2045 R1

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

c EIN-PN 47-2529162-221	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4818
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2025 R1

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

c EIN-PN 47-2285799-214	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2049310
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH AGR 2045 R1

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

c EIN-PN 47-2503540-219	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 615843
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2055 R1

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

c EIN-PN 47-2563528-223	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 918665
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH MOD 2035 R1

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

c EIN-PN 47-2478524-217	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4451625
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXPATH CON 2055 R1

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

c EIN-PN 47-2575758-224	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5292
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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)
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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)
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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>ASSURANCEAMERICA CORPORATION 401(K) RETIREMENT PLAN</u>		B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ASSURANCEAMERICA CORPORATION</u>		D Employer Identification Number (EIN) <u>87-0281240</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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	433
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants).....	1c(7)	0	0
(8) Participant loans.....	1c(8)	117437	70539
(9) Value of interest in common/collective trusts.....	1c(9)	8930138	10048966
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	4225995	3788521
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	13273570	13908459

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	13273570	13908459
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Part II Income and Expense Statement

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

Income

a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	775996	
(B) Participants.....	2a(1)(B)	1493338	
(C) Others (including rollovers).....	2a(1)(C)	2363931	
(2) Noncash contributions.....	2a(2)	0	4633265
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	5	
(B) U.S. Government securities.....	2b(1)(B)	0	
(C) Corporate debt instruments.....	2b(1)(C)	0	
(D) Loans (other than to participants).....	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	3650	
(F) Other.....	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		3655
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	
(B) Common stock.....	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	80569	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		80569
(3) Rents.....	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other.....	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-1708662
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-1019906
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		1988921
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1288460	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1288460
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	65572	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		65572
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1354032
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		634889
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: JOHNSON LAMBERT LLP

(2) EIN: 52-1446779

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		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n		X	

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

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

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

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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 ASSURANCEAMERICA CORPORATION 401(K) RETIREMENT PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 ASSURANCEAMERICA CORPORATION		D Employer Identification Number (EIN) 87-0281240
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 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 _____



JohnsonLambert
cpas + consultants LLP

AssuranceAmerica Corporation 401(k) Retirement Plan 2022 Audit Required Communications

October 11, 2023

We have audited the financial statements of AssuranceAmerica Corporation 401(k) Retirement Plan (the Plan) as of and for the year ended December 31, 2022 and have issued our report thereon October 11, 2023.

We are pleased to present this report related to our audit. This report summarizes matters required by professional standards to be communicated to you in your oversight responsibility for the Plan's financial reporting process. This report is intended solely for the information and use of the Plan Administrator and management and is not intended and should not be used by anyone other than those specified parties.

We appreciate the cooperation and courtesies extended to us by the Plan's personnel. Please do not hesitate to contact us if you would like clarification on these or any other matters. We appreciate the opportunity to continue to be of service to the Plan.

Sincerely,



Atlanta, Georgia

Required Communications

The auditor is responsible for performing an ERISA Section 103(a)(3)(C) audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and pursuant to 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Therefore, the audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirement of accounting principles generally accepted in the United States of America (GAAP). Accordingly, the objective of the ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with GAAP. The auditor is also responsible for evaluating whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, are fairly stated in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

The auditor is also responsible for communicating reportable findings or other significant matters related to the financial statement audit that are, in the auditor's professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. GAAS do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance.

In accordance with our professional standards, we would like to share the following:

Independence

We have complied with all relevant ethical requirements regarding independence.

Significant Accounting Policies and Their Application

Management is responsible for the selection and use of appropriate accounting policies. As is the case with most organizations, the Plan has available alternative accounting principles from which to choose. The significant accounting policies followed by the Plan are described in Note B to the financial statements.

The accounting policies selected and applied by the Plan are appropriate under the circumstances and are consistent with those used by other similar organizations.

There were no significant accounting policies that were initially selected and no changes in significant accounting policies or their application during the year ended December 31, 2022.

We noted no transactions entered into by the Plan during the year for which there is lack of authoritative guidance or consensus. We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Significant Risks Identified

A significant risk is a risk of material misstatement that in the auditor's professional judgment requires special audit consideration. We have identified the following significant risks:

- **Management override of controls** - *Presumed significant risk under GAAS*

Management's Judgments and Sensitive Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based upon management's current judgments. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The financial statements contain no sensitive estimates.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent and clear.

Related Party and Party in Interest Relationships and Transactions

An **objective of the audit** is to obtain an understanding of such matters sufficient **to be able to recognize fraud risk factors** that are relevant to the identification and assessment of the risks of material misstatement due to fraud and conclude whether the financial statements, insofar as they are affected by those relationships and transactions, achieve fair presentation.

Another **objective of the audit** is to obtain sufficient appropriate audit evidence about **whether related party and party in interest relationships and transactions have been appropriately identified, accounted for and disclosed in the financial statements**. Note G of the financial statements includes the disclosure of significant related party and party in interest transactions.

Significant Unusual Transactions

We are required to communicate significant unusual transactions identified during our audit. Significant unusual transactions are defined as significant transactions that are outside the normal course of business for the entity or that otherwise appear to be unusual due to their timing, size, or nature. We did not identify any significant unusual transactions.

Audit Adjustments and Uncorrected Misstatements

No audit adjustments were recorded.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Matters that Affect the Form and Content of the Auditor's Report

We are required to communicate any circumstances that affect the form and content of our auditor's report:

Other Matter

The following circumstances lead to the inclusion of an other matter in the auditor's report:

- 2022 Supplemental Schedule Required by ERISA
 - The ERISA-required supplemental schedule, other than that agreed to or derived from the certified investment information, was subjected to the audit procedures applied in the audit of the financial statements to determine the form and content of the supplemental schedule is fairly stated in all material respects in relation to the financial statements as a whole and in conformity with DOL 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 agreed 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).

Observations About the Audit Process

Management Representations

We have requested certain representations from management that are included in the management representation letter, which is included as an exhibit to this document.

Disagreements with Management, Including Matters Discussed and Resolved

We are required to report any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the Plan's financial statements or the auditor's report.

There were no disagreements with management.

Significant Difficulties Performing the Audit

No significant difficulties were encountered in performing the audit.

Significant Issues Discussed or Subject to Correspondence with Management

There were no significant issues discussed with or subject to correspondence with management.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. We are not aware of any consultations with other accountants regarding accounting or auditing matters.

Form 5500

We are responsible for reading a substantially complete draft Form 5500 prior to dating our auditor's report to determine if such information is materially consistent with the audited financial statements.

We have reviewed a copy of the Form 5500 prior to its filing and reconciled information to the audited financial statements. We identified no material inconsistencies in performing and completing our audit.



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Upcoming Changes in Auditing Standards in 2023

SAS No. 143 – Auditing Accounting Estimates and Related Disclosures

- The standard clarifies the auditor's responsibilities for evaluating accounting estimates, including fair value accounting estimates and related disclosures.
- Auditors should evaluate whether accounting estimates and related disclosures are reasonable, based on the audit procedures performed and audit evidence obtained, in the context of the applicable financial reporting framework.
- The auditor's assessment of the estimate should include: 1) the development of the accounting estimate, including the methods, assumptions and data in view of the nature of the accounting estimate and the facts and circumstances of the entity, 2) the selection of management's point estimate, and 3) the disclosures about the accounting estimate.
- The auditor should determine whether the evaluation of accounting estimates requires specialized skills or knowledge, including the use of an auditor's specialist.
- The standard requires a separate assessment of inherent risk and control risk at the assertion level for accounting estimates and introduces the spectrum of inherent risk.

SAS No. 144 – Amendments to AU-C Sections 501, 540 and 620 Related To Use of Specialists and Use of Pricing Information Obtained from External Information Sources

- Enhancements to guidance for how the auditor should evaluate management's use of an external specialist to develop an accounting estimate as well as enhanced guidance related to the use of an auditor's specialist.
- Adds an appendix to AU-C 540 – Auditing Accounting Estimates and Related Disclosures, for *Use of Pricing Information From Third Parties as Audit Evidence*, which provides additional guidance for the auditor about auditing estimates related to the fair value of financial instruments. The appendix defines a pricing service and describes when the requirements regarding the use of a management and/or auditor specialist apply to a pricing service.

SAS No. 145 – Understanding the Entity and Its Environment and Assessing the Risk of Material Misstatement

- The standard enhances the requirements for obtaining an understanding of the entity's system of internal control and assessing control risk, including revised requirements for the evaluation of information technology general controls.
- Revises the definition of a significant risk and a relevant assertion and includes a new requirement for auditors to separately assess inherent and control risks. Requires control risk to be assessed at the maximum level such that, if the auditor does not plan to test the operating effectiveness of controls, the assessment of the risk of material misstatement is the same as the assessment of inherent risk.
- Includes a "stand-back" requirement that is intended to ensure completeness of the auditor's identification of significant classes of transactions, account balances and disclosures.

- New guidance on scalability and the auditor’s professional skepticism.

We have attached a white paper further detailing the new requirements.

Technical Resources

We are committed to leveraging our professional and industry leadership experience to provide regular communications regarding changes to accounting principles, industry-specific developments, and the related financial reporting impacts relevant to your organization so that Management may make timely, informed decisions.



Webinars: We are also extremely excited about the educational webinar series we offer to our clients. Each webinar session is designed to address a particular “hot topic” facing our clients. The sessions are intended to be interactive and all participants are eligible to receive Continuing Professional Education credits. JohnsonLambert.com/Webinars/



Insights: In addition, we also send important e-alerts, newsletters, and blogs about employee benefit plan-focused topics. JohnsonLambert.com/Insights/



Annual Report: Johnson Lambert is excited to share our Annual Report. We hope you enjoy reading more about the projects and initiatives put forth to support our people, our clients, and the industries we serve: JohnsonLambert.com/AnnualReport



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Johnson Lambert LLP is a CPA and consulting firm exclusively serving employee benefit plans, insurance entities, and nonprofit organizations. Since inception in 1986, we have focused on distinct industry niches where we have distinguished ourselves as technical experts with a unique depth of experience specifically relevant to our clients’ needs. We serve a national and selectively international client base from our offices in Florida, Georgia, Illinois, New Jersey, North Carolina, South Carolina, Vermont, and Virginia. For more information about Johnson Lambert LLP, please visit JohnsonLambert.com.



October 11, 2023

Johnson Lambert LLP
400 Perimeter Center Terrace, Suite 925
Atlanta, Georgia 30346

This representation letter is provided in connection with your audits of the financial statements of AssuranceAmerica Corporation 401(k) Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

We have elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. We acknowledge that the audit did not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier, that is regulated, supervised and subject to periodic examination by a state or federal agency, a qualified institution, that prepared and certified the investment information in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting under ERISA. We have determined that an ERISA Section 103(a)(3)(C) audit is permissible under the circumstances. We have also determined that the investment information is prepared and certified by a qualified institution as described by 29 CFR 2520.103-8, that the certification meets the requirements in 29 CFR 2520.103-5 and, that the certified investment information is appropriately measured, presented, and disclosed in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

The purpose of an ERISA Section 103(a)(3)(C) audit is to express an opinion on whether the amounts and disclosures in the financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with U.S. GAAP and that the assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the certified investment information.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, 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.

We confirm that, to the best of our knowledge and belief, as of the date of this letter, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 10, 2023 for the preparation and fair presentation of the financial statements (including disclosures) in accordance with U.S. GAAP.
2. We acknowledge our responsibility for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the Plan 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. The methods and significant assumptions used to estimate fair values of financial instruments are as follows:
 - a. Investments in mutual funds are valued at the daily closing prices as reported by the fund.
 - b. Investment in the collective trusts are valued using net asset value per share of the trust.

The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.

6. We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services, or other third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurement*. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in FASB ASC 820.
7. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
8. Transactions with *parties in interest*, as defined in Section 3(14) of ERISA and regulations thereunder, including sales, purchases, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from, or payable to, related parties have been appropriately disclosed.

9. All events subsequent to the date of the financial statements and through the date of this letter, and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
10. We are not aware of any uncorrected misstatements other than amounts clearly trivial.
11. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements.
12. We have no intentions to terminate the Plan.
13. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or another lending institution have been properly recorded or disclosed in the financial statements.
14. We have properly reported and disclosed amendments to the Plan instrument, if any.
15. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances or other arrangements involving restrictions on cash balances, lines of credit, or similar arrangements have been properly disclosed.
16. In regards to the fact that your firm assisted us by drafting the financial statements and supplemental schedule, including appropriate disclosures required by U.S. GAAP, we have:
 - a. Made all management decisions and performed all management functions.
 - b. Designated an individual, Daniel Scruggs, who possesses suitable skill, knowledge or experience to oversee the services.
 - c. Evaluated the adequacy and results of the draft preparation by reviewing and accepting the financial statements as complete and accurate.
 - d. Accepted responsibility for the financial statements and supplemental schedule.

ERISA-Required Supplemental Schedule

1. We acknowledge our responsibility for the presentation of the ERISA-required supplemental schedule in accordance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
2. We believe that the ERISA-required supplemental schedule, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. We believe the methods of presentation have not changed from those used in the prior period.

Information Provided

1. We have provided you with
 - a. access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation and other matters;
 - b. the most current plan instrument for the audit period, including all plan amendments;
 - c. a draft of the Form 5500 that is substantially complete;

- d. additional information that you have requested from us for the purpose of the audit;
 - e. unrestricted access to persons within the Plan and others from whom you determined it necessary to obtain audit evidence;
 - f. all minutes of the meetings of the AssuranceAmerica Corporation 401(k) Retirement Plan investment reviews or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 2. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- 3. Financial instruments with off-balance-sheet risk and financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.
- 4. The Plan or trust has satisfactory title to all owned assets that are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.
- 5. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 6. We have no knowledge of any fraud or suspected fraud that affects the Plan and involves
 - a. management,
 - b. employees who have significant roles in internal control, or
 - c. others when the fraud could have a material effect on the financial statements.
- 7. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Plan's financial statements communicated by employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
- 8. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements in the event of noncompliance.
- 9. We are not aware of any pending or threatened litigation, claims, and assessments whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation, claims, or assessments.
- 10. There are no other matters (for example, breach of fiduciary responsibilities, nonexempt transactions, loans or loans in default, or events that may jeopardize the tax status) that legal counsel, or other parties, have advised us must be disclosed.
- 11. We have disclosed to you the identity of all the Plan's related parties and parties in interest and the nature of all the related party and party in interest relationships and transactions of which we are aware.
- 12. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.
- 13. There are no debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 14. All required filings with the appropriate agencies have been made.

15. The Plan (and the trust established under the Plan) is qualified under the appropriate section of the Internal Revenue Code and intends to continue as a qualified plan (and trust). The Plan Sponsor has operated the Plan and trust or insurance contract in a manner that did not jeopardize this tax status.
16. The Plan has complied with the DOL's regulations concerning the timely remittance of participants' contributions to trusts containing assets for the Plan.
17. The Plan has complied with the fidelity bonding requirements of ERISA.
18. There are no
 - a. *nonexempt party in interest transactions* (as defined in ERISA Section 3(14) and regulations thereunder) that were not disclosed in the supplemental schedules or financial statements.
 - b. investments in default or considered to be uncollectible that were not disclosed in the supplemental schedule(s).
 - c. *reportable transactions* (as defined in ERISA Section 103[b][3][H] and regulations under that section) that were not disclosed in the supplemental schedule(s).
19. We have obtained the service auditor's report (SOC 1) from the Plan's service organizations, Fidelity and Paycom. We have reviewed such SOC 1 reports, including the complementary user controls. We have implemented the relevant user controls, and they were in operation for the years ended December 31, 2022 and 2021. The service organization have not reported to us any fraud, noncompliance with laws and regulations, or uncorrected misstatements.
20. We have provided you information concerning monetary related party transactions and amounts receivable or payable from related parties, including support for any assertion that a transaction with a related party was conducted on terms equivalent to those prevailing in an arms-length transaction. A complete list of related parties is below:
 - a. AssuranceAmerica Corporation
 - b. AssuranceAmerica Managing General Agency, LLC
 - c. Trustway Insurance Services, LLC
 - d. Fidelity Management Trust Company
 - e. Advo(k)ate Advisors (formerly J. Smith Lanier & Co.)
 - f. Plan Participants
 - g. Johnson Lambert

DocuSigned by:

Daniel Scruggs

103F8357243742E...

Daniel Scruggs, CFO

DScruggs@aainsco.com

DocuSigned by:

Jay Rine

08DB621D368348F...

Jay Rine, Senior Vice President of
Finance and Accounting

JRine@aainsco.com



Estimates, Specialists, and Risk Assessment

Upcoming Changes in Auditing Standards

Author:

Melanie Barthel

Johnson Lambert LLP is dedicated to keeping you informed on the impact of upcoming auditing standards. The American Institute of Certified Public Accountants (AICPA) has issued Statements on Auditing Standards (SAS) 143-145, which address estimates, the use of specialists, and the risk assessment process for audits of financial statements for periods ending on or after December 15, 2023.

Background and Overview

Following the release of several auditing standards effective in 2021 (SAS 134-141) which brought significant changes to the auditor's report, and the release of SAS 142 effective in 2022 related to audit evidence, the AICPA has released further updates applicable to audits of financial statements for periods ending on or after December 15, 2023 as follows:

The impetus for such changes comes from a variety of factors including:

- + Changes in accounting standards,
- + Recent changes in Public Company Accounting Oversight Board (PCAOB) and international auditing standards,
- + Observations from AICPA peer reviews, and
- + The need for modernization in the standards.

SAS 143

Auditing Accounting Estimates and Related Disclosures

SAS 144

Amendments to AU-C Sections 501, 540, and 620 Related to the Use of Specialists and the Use of Pricing Information Obtained From External Information Sources

SAS 145

Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement

SAS 143: Accounting Estimates and Disclosures

What's Changing?

SAS 143 (Estimates) clarifies the auditor's responsibilities for evaluating accounting estimates, including fair value accounting estimates and related disclosures. The standard is designed to be scalable for all types of estimates, from the simple to the increasingly complex. The standard also provides guidance for determining whether the evaluation of accounting estimates requires specialized skills or knowledge, including the use of an auditor's specialist, as further discussed in SAS 144 (Specialists).

The standard requires the auditor to separately assess the inherent risk¹ and control risk² related to accounting estimates to determine the associated risk of material misstatement (ROMM). The auditor then develops procedures in response to the associated ROMM using one or more of the approaches in the diagram below.

Taking the evidence obtained from the approach(es) used into account, the auditor is able to conclude on whether estimates are reasonable in the context of the applicable financial reporting framework and whether sufficient appropriate evidence has been obtained in response to the associated ROMM.

The standard also provides considerations for when the engagement team requires specialized skills or knowledge to perform risk assessment procedures, identify and assess the risks of material misstatement, design and perform audit procedures in response to those risks, or evaluate the audit evidence obtained. Matters affecting this determination include the nature of the estimates for a business or industry (e.g. complex financial instruments, insurance contract liabilities, or retirement plan obligations), the degree of estimation uncertainty, and the complexity of the underlying methods, models, and applicable financial reporting framework.



1. Inherent Risk – susceptibility to a material misstatement before consideration of any related controls

2. Control Risk – risk that a material misstatement will not be prevented, or detected and corrected, by the entity's system of internal control

What to Expect

Risk Assessment and Fieldwork

Management can anticipate audit procedures and inquiries focused on obtaining an understanding of the entity, its environment, and its system of internal control in order to identify and assess the ROMM related to estimates and to understand the underlying data, methodology, and assumptions used in the estimation process. To the extent that management utilizes a specialist in the estimation process, the new procedures will require an increased collaboration between the auditor and the specialist. The scope of the auditor's procedures is also highly dependent on the volume and complexity of significant accounting estimates applicable to the entity.



Communications with Those Charged with Governance

The auditor has certain communication requirements with those charged with governance, including the auditor's views about the qualitative aspects of the entity's significant accounting policies and sensitive accounting estimates. SAS 143 provides that the auditor needs to consider certain matters regarding accounting estimates as part of this communication.

Additional matters specific to accounting estimates that the auditor may consider communicating with those charged with governance at the conclusion of the audit include:

- + Risks of material misstatement,
- + Relative materiality of the estimates to the financial statements as a whole,
- + Whether management has applied appropriate specialized skills or knowledge,
- + Auditor's views about the appropriateness of the selection of accounting policies related to accounting estimates and presentation of accounting estimates in the financial statements, and
- + Indicators of possible management bias.

Written Representations

At the conclusion of the audit, the auditor requests certain written representations from management. Under SAS 143, such representations will include whether the methods, significant assumptions, and the data used in making the accounting estimates and the related disclosures are appropriate to achieve recognition, measurement, or disclosure that is in accordance with the applicable financial reporting framework. The auditor may also need to obtain additional representations about specific accounting estimates.

SAS 144: Use of Specialists and Pricing Information

What's Changing?

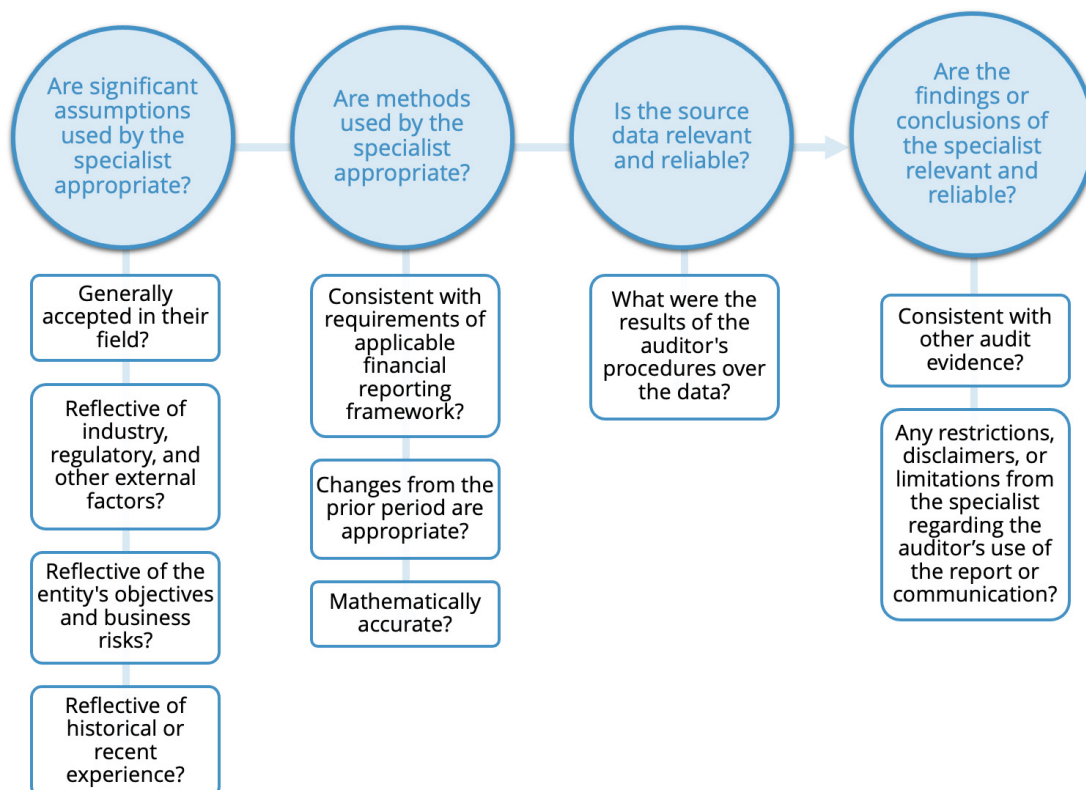
Specialists

SAS 144 (Specialists & Pricing Information) enhances the guidance for (1) the auditor's evaluation of management's use of an external specialist to develop an accounting estimate and (2) the use of an auditor's specialist.

As it relates to the use of a management specialist to develop an accounting estimate, the standard adds applicable material from PCAOB Auditing Standards (AS) 1105, Audit Evidence, intended to enhance audit quality for private companies. Consistent with the extant standards, when a management specialist has prepared information that is used as audit evidence, the auditor needs to evaluate their competency and objectivity and obtain an understanding of their work and its appropriateness.

The additional application material in the diagram below provides further guidance on relevant considerations for this evaluation.

The level of audit evidence needed to satisfy the requirements increases with the increase in significance to the financial statements of the specialist's work, the associated ROMM, and the ability of management to affect the specialist's judgments and with the decrease in the competence, capability, and objectivity of the specialist. When complex or proprietary modeling is used, additional evidence will also be required.



When a management specialist is used by management in preparing the financial statements, the auditor must also determine the need for the use of an auditor's specialist. This is affected by factors including:

- + The nature, scope, and objectives of the work of management's specialist,
- + Whether management's specialist is employed by the entity or is a party engaged by it to provide relevant services,
- + The extent to which management can exercise control or influence over management's specialist (including, when applicable, the organization that employs the individual specialist), thereby influencing the work of management's specialist,
- + The competence and capabilities of management's specialist,
- + Whether management's specialist is subject to technical performance standards or other professional or industry requirements,
- + Any controls within the entity over the work of management's specialist, and
- + The auditor's ability to evaluate the work and findings of management's specialist without the assistance of an auditor's specialist.

When an auditor's specialist is used, the auditor must similarly evaluate their competence, capability, and objectivity, the appropriateness of assumptions and methods used, and adequacy of their work for its desired purpose.

Fair Value Pricing Information

SAS 144 also enhances guidance on the use of pricing information from external information sources related to fair value estimates. It adds a new appendix to AU-C 540, Auditing Accounting Estimates and Related Disclosures, taking into account previously released PCAOB guidance. The guidance defines a **pricing service** as:

An organization that routinely provides uniform pricing information to users, generally on a subscription basis.

When a pricing service is engaged to individually develop a price for a specific financial instrument not routinely priced for its subscribers, the requirements relating to management's and/or the auditor's specialist apply.

What to Expect

The changes from SAS 144 impact primarily the auditor's procedures rather than the deliverables that will be issued as a result of the audit. While the changes are not outward facing, management should expect more detailed inquiries of management and its specialists from the auditors. Management should ensure they have procedures in place to evaluate the competency of its specialists and the quality of source data provided to them.

Furthermore, entities with more complex investment portfolios (i.e. entities for which all investments are not Level 1 in the fair value hierarchy) can expect increased procedures to comply with the guidance surrounding the use of pricing services. In such cases, the auditor may need to rely on an auditor specialist to provide independent fair value estimates. Management should also ensure that they have an understanding of their pricing sources and whether they are pricing services and specialists. This should include an understanding of the pricing sources used by an investment manager or custodian.

SAS 145: Risk Assessment

What's Changing?

SAS 145 (Risk Assessment) supersedes AU-C 315 Understanding the Entity and Its Environment and Assessing the Risks of Material Misstatement. The standard focuses on enhanced risk assessments as a driver of audit quality and defines the auditor's responsibilities for understanding the entity's system of internal control, including general information technology (IT) controls, and determining risks of material misstatement, including significant risks.

As part of the revised risk assessment process, the standard introduces new key terms and revises the definition of a **significant risk** as follows:

An identified risk of material misstatement

for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk due to the degree to which inherent risk factors affect the combination of the likelihood of a misstatement occurring and the magnitude of the potential misstatement should that misstatement occur

or

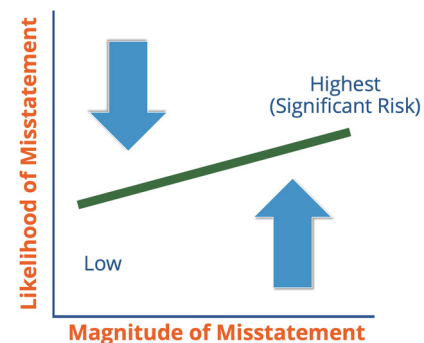
that is to be treated as a significant risk in accordance with the requirements of other AU-C sections³:

- + Management override of controls
- + Revenue recognition
- + Related party transactions that are also significant unusual transactions.

As previously defined, the definition of a significant risk focused the auditor on the response to an identified risk (a risk that requires special audit consideration). The revised definition focuses the auditor on the inherent risk assessment, with new terms inherent risk factors and spectrum of inherent risk.

Inherent risk factors are characteristics of an account or disclosure assertion that affect its susceptibility to misstatement, before the consideration of controls. Such factors include complexity, subjectivity, change, uncertainty, or susceptibility to misstatement due to management bias.

Based on these factors, inherent risk is evaluated on the spectrum of inherent risk, considering both the likelihood and magnitude of a misstatement, as illustrated below:



The guidance in SAS 145 is intended to be scalable based on the complexity of the entity and to modernize the standard for changes in the evolving business environment. The standard also incorporates a significant amount of explanatory guidance in the form of appendices that the auditor may use to understand the entity's system of internal control, including the entity's use of IT. With regard to IT in particular, the guidance clearly defines relevant terms and is more detailed than IT guidance from other standard setters.

3. AU-C 240, *Consideration of Fraud in a Financial Statement Audit* and AU-C 550, *Related Parties*

What To Expect

As part of planning procedures, the auditor:

- + Performs risk assessment procedures,
- + Obtains an understanding of the entity and its environment and its system of internal control, and
- + Identifies and assesses the risk of material misstatement.

These concepts have not fundamentally changed under SAS 145. However, within these concepts, several principles have changed and management should expect an increased emphasis on the risk assessment phase of the audit and the performance of audit procedures that are responsive to the risks identified, including an understanding of controls in place that address such risks. Under SAS 145, the auditor must identify and assess:

- + Controls that address significant risks,
- + Controls over journal entries,
- + Controls for which the auditor plans to test the operating effectiveness, and
- + Other controls based on the auditor's judgment.

Based on these controls, the auditor should identify the related IT applications and risks and the general IT controls that address such risks. The auditor must then evaluate the design and evidence the implementation of the identified controls.

Management remains responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of

financial statements that are free from material misstatement, whether due to fraud or error.

Management can best prepare for the upcoming standard by reviewing key controls in place related to significant accounts in preparation for the annual audit.

Conclusion

SAS 143-145 will have a significant impact on upcoming audits beginning with those with 2023 calendar year ends. While the changes primarily affect the auditor's procedures versus the auditor's report, the changes serve to increase audit quality and ensure the auditing standards are modernized with changes in the economic and accounting standard-setting environment. Your Johnson Lambert team is available for further discussion of and preparation for the upcoming standards to ensure you and your organization are prepared.

Are You and Your Organization Ready?

- | | |
|--------------------------|--|
| ☐ | Understand the underlying data, methodology, and assumptions used in making significant accounting estimates, including when those are developed by a specialist |
| ☐ | Understand the source of pricing information for fair value estimates and whether the pricing service is a specialist |
| ☐ | Understand controls in place at your organization over the work of management's specialist(s) |
| ☐ | Communicate with management's specialist(s) regarding new requirements and the need for enhanced collaboration with the auditor |
| ☐ | Review and document key internal controls in place over significant accounts, journal entries, and related IT applications |

Author: Melanie Barthel

The content contained herein should not be relied upon as accounting or tax advice as it does not take into account any specific organization's facts and circumstances, nor is every scenario exhaustively covered herein. This publication should not be used as a substitute for consulting authoritative accounting literature, consideration of your organization's specific circumstances, and guidance from qualified professionals.

For more information or to contact us, visit our website: [JohnsonLambert.com](https://www.johnsonlambert.com)

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AssuranceAmerica Corporation 401(k) Retirement Plan

Financial Statements and Supplemental Schedule

*As of and for the years ended December 31, 2022 and 2021
with Report of Independent Auditors*

AssuranceAmerica Corporation 401(k) Retirement Plan

Financial Statements and Supplemental Schedule

As of and for the years ended December 31, 2022 and 2021

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Report of Independent Auditors

To the Plan Administrator and Participants of
AssuranceAmerica Corporation 401(k) Retirement Plan

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

We have performed audits of the financial statements of AssuranceAmerica Corporation 401(k) Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, 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 Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the years then ended, stating that the certified investment information, as described in Note C 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 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).

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 Plan 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 financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

Auditor's Responsibilities for the Audit of the 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

Our 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.

Other Matter - Supplemental Schedule Required by ERISA

The supplemental Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022 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 the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented 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).

A handwritten signature in black ink that reads "Johnson Lambert LLP". The signature is written in a cursive, flowing style.

Atlanta, Georgia
October 11, 2023

AssuranceAmerica Corporation 401(k) Retirement Plan

Statements of Net Assets Available for Benefits

	As of December 31,	
	2022	2021
Assets:		
Investments, at fair value:		
Registered investment companies	\$ 3,788,954	\$ 4,225,995
Common/collective trusts	<u>10,048,966</u>	<u>8,930,138</u>
Total investments	13,837,920	13,156,133
Notes receivable from participants	<u>70,539</u>	<u>117,437</u>
Net assets available for benefits	<u><u>\$ 13,908,459</u></u>	<u><u>\$ 13,273,570</u></u>

See accompanying notes to the financial statements.

AssuranceAmerica Corporation 401(k) Retirement Plan

Statements of Changes in Net Assets Available for Benefits

	Years ended December 31,	
	2022	2021
Investment (loss) income:		
Interest and dividends	\$ 80,574	\$ 283,211
Net (depreciation) appreciation in fair value of investments	(2,728,568)	1,176,828
Interest from participant notes receivable	3,650	5,504
Total investment (loss) income	(2,644,344)	1,465,543
Contributions to net assets:		
Employee	1,493,338	1,234,367
Employer	775,996	663,805
Rollovers	2,363,931	633,016
Total contributions to net assets	4,633,265	2,531,188
Distributions from net assets:		
Benefits paid directly to participants or beneficiaries	1,288,460	515,671
Administrative expenses	65,572	58,111
Total distributions from net assets	1,354,032	573,782
Change in net assets available for benefits	634,889	3,422,949
Net assets available for benefits, beginning of year	13,273,570	9,850,621
Net assets available for benefits, end of year	<u>\$ 13,908,459</u>	<u>\$ 13,273,570</u>

See accompanying notes to the financial statements.

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements

As of and for the years ended December 31, 2022 and 2021

Note A - Description of Plan

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

General

The Plan sponsor is AssuranceAmerica Corporation (the Company, Plan sponsor, or Plan administrator). The Plan is a defined contribution plan covering substantially all employees of the Company and related employers who have attained the age of 21 and have worked at least 6 months with the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

From time to time, the Plan administrator adopts amendments to the Plan, which are not expected to affect the Plan's qualified status under ERISA. Substantially all amendments become effective in the year of adoption.

Contributions

Each year, participants may contribute up to 100% of eligible compensation as defined in the Plan document, on a pre-tax basis or Roth after-tax basis, subject to certain Internal Revenue Code (the Code or IRC) limits. In addition, participants who have attained age 50 before the end of the plan year are permitted to make catch-up contributions. The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan with a 4% deferral unless they affirmatively elect not to participate in the Plan or elect to enroll at a different percentage than the automatic deferral rate. Automatically enrolled participant deferrals are invested in a designated default investment fund until changed by the participant. The Plan has an auto escalation feature that requires the Plan to raise automatically enrolled participants' contributions each year by 1% until they reach a maximum of 10%.

Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

The Company makes a non-discretionary matching contribution equal to 100% of each participant's elected salary deferral, up to 4% of the participant's compensation. The Company may make additional discretionary matching and profit-sharing contributions. No discretionary match or profit-sharing contributions were made for 2022 or 2021.

Upon enrollment, participants may direct the investment of their account balances into any of the Plan's investment options. Participants may change their investment options daily.

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note A - Description of Plan (Continued)

Participant Accounts

Each participant's account is credited with the participant's contribution, an allocation of the Company's contributions and Plan earnings, and is charged with an allocation of certain administrative expenses. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions and in Company safe harbor matching contributions, plus actual earnings thereon. The Plan provides for vesting of discretionary amounts contributed by the Company as follows:

<u>Years of Service</u>	<u>Percentage</u>
Less than 1	0 %
1	20 %
2	40 %
3	60 %
4	80 %
5 or more	100 %

Participants are immediately vested upon termination of the Plan, reaching normal retirement age, reaching the early retirement age of 55 with no service requirement, or upon disability or death while an employee of the Plan sponsor. Forfeitures of terminated participants' non-vested accounts are first used to pay Plan administrative expenses and then to reduce the employer's contribution for the plan year.

Forfeitures

Forfeiture balances can be used to reduce Plan administrative expenses or employer contributions. At December 31, 2022 and 2021, forfeited nonvested accounts totaled \$1,659 and \$1,577, respectively. During 2022 and 2021, forfeitures of \$18 and \$76 were used to offset the Company match.

Payment of Benefits

A participant is entitled to receive a lump-sum amount equal to the vested value of his or her account balance upon attainment of age 59 ½, termination of service, early retirement, retirement at age 65, disability, or death. In-service withdrawals of a participant's elective deferral contribution amounts are permitted, subject to a \$500 minimum amount, in cases of proven financial hardship.

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note A - Description of Plan (Continued)

Payment of Benefits (continued)

If a participant's account balance is less than \$1,000 upon retirement or termination, and the participant does not elect a direct rollover, a distribution of the participant's account will be made automatically in a single lump-sum cash distribution. If a participant's account balance is greater than \$1,000 but less than \$5,000 upon retirement or termination, and the participant does not elect a lump-sum cash distribution or direct rollover, a distribution of the participant's account will be made automatically into an individual retirement account.

Notes Receivable from Participants

Participants may borrow from their accounts in any amount greater than \$1,000 up to 50% of their vested account balance, not to exceed \$50,000. Note receivable terms are for a period not exceeding five years unless for the purchase of a principal residence, in which case the payment period may not extend beyond 10 years. Notes receivable are secured by the balance in the participant's account and bear interest at rates commensurate with prevailing market rates. Interest rates on outstanding loans ranged from 4.25% to 8.00% at December 31, 2022. Principal and interest are paid ratably through bi-weekly payroll deductions. Participants are allowed one outstanding note receivable.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. The Company reserves the right to elect to pay, or have the Plan pay, administrative costs in the future. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment advisory fees are charged directly to the Plan.

Plan Termination

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

Note B - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note B - Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment committee determines the Plan's valuation policies utilizing information provided by the investment advisors and the trustee. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date. Net (depreciation) appreciation includes the Plan's gains and losses on investments bought and sold as well as on investments held during the year.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when incurred. No allowance for credit losses has been recorded as of December 31, 2022 and 2021. If a participant ceases to make note repayments and the Plan administrator deems the participant note to be in default, the note receivable balance is reduced and a benefit payment is recorded.

Benefit Payments

Benefits are recorded when paid.

Risks and Uncertainties

The Plan offers a number of investment options that are exposed to various risks, such as significant world events, interest rate, credit, and overall market volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits and participant account balances.

Subsequent Events

The Plan has performed an evaluation of subsequent events through October 11, 2023 which is the date the financial statements were available to be issued and has considered any relevant matters in the preparation of the financial statements and note disclosures.

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note C - Information Certified by the Plan's Trustee

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, Fidelity Management Trust Company (Fidelity), the Trustee for the Plan, as of and for the years ended December 31, 2022 and 2021 has certified that the following information below is complete and accurate:

- Investment balances and notes receivable from participants included in the statements of net assets available for benefits as of December 31, 2022 and 2021 and in certain notes;
- Interest income, interest on notes receivable from participants and net (depreciation) appreciation in fair value of investments for the years ended December 31, 2022 and 2021, included in the statements of changes in net assets available for benefits and in certain notes; and
- Investment balances and notes receivable from participants included in the accompanying Schedule H Line 4i - Schedule of Assets (Held at End of Year).

Note D - Fair Value Measurement

The Plan utilizes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to 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 GAAP are as follows:

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

Level 2 – Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted market prices that are observable for substantially the entire period for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Valuations based on models where significant inputs are not observable. The unobservable inputs reflect the Plan's own assumptions about the inputs that market participants would use.

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

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note D - Fair Value Measurement (Continued)

The following is a description of the valuation methodology used for assets measured at fair value.

Shares of registered investment companies (mutual funds) are valued by obtaining quoted prices on nationally recognized securities exchanges.

The Plan's interest in collective trusts are valued based on the net asset value (NAV) of shares held by the Plan at year end, which is used as a practical expedient to estimate fair value. The NAV is determined by dividing the fund's net assets at fair value by its units outstanding at each valuation date. The Plan's interest in these funds are valued based on information reported by the investment advisor using the audited financial statements of the collective trust at December 31, 2022 and 2021.

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

The following tables set forth by level, within the fair value hierarchy, the Plan's assets measured at fair value on a recurring basis as of December 31:

<u>2022</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Registered investment companies	\$ 3,788,954	\$ -	\$ -	\$ 3,788,954
Common/collective trusts, NAV (a)	-	-	-	10,048,966
Total	<u>\$ 3,788,954</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,837,920</u>
 <u>2021</u>	 <u>Level 1</u>	 <u>Level 2</u>	 <u>Level 3</u>	 <u>Fair Value</u>
Registered investment companies	\$ 4,225,995	\$ -	\$ -	\$ 4,225,995
Common/collective trusts, NAV (a)	-	-	-	8,930,138
Total	<u>\$ 4,225,995</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,156,133</u>

(a) Investments measured at fair value using NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note E - Investments at Net Asset Value

The following tables set forth a summary of the Plan's investments reported at NAV as of December 31:

<u>December 31, 2022</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Fidelity Advisor Stable Value Portfolio	\$ 487,845	\$ -	Immediate	None
flexPATH Index Aggressive 2045 R1	615,843	-	Immediate	None
flexPATH Index Moderate 2025 R1	2,049,310	-	Immediate	None
flexPATH Index Moderate 2035 R1	4,451,624	-	Immediate	None
flexPATH Index Moderate 2045 R1	1,163,837	-	Immediate	None
flexPATH Index Moderate 2055 R1	918,665	-	Immediate	None
Other Collective Trust Funds	<u>361,842</u>	<u>-</u>	Immediate	None
Total	<u>\$ 10,048,966</u>	<u>\$ -</u>		

<u>December 31, 2021</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Fidelity Advisor Stable Value Portfolio	\$ 501,649	\$ -	Immediate	None
flexPATH Index Moderate 2025 R1	2,264,611	-	Immediate	None
flexPATH Index Moderate 2035 R1	3,398,811	-	Immediate	None
flexPATH Index Moderate 2045 R1	1,517,009	-	Immediate	None
flexPATH Index Moderate 2055 R1	797,968	-	Immediate	None
Other Collective Trust Funds	<u>450,090</u>	<u>-</u>	Immediate	None
Total	<u>\$ 8,930,138</u>	<u>\$ -</u>		

Occurrence of certain events may limit the ability of the Plan to transact at NAV with the Fidelity Advisor Stable Value Portfolio (Stable Value Fund). These events include any communication given to unitholders by the Plan administrator that is designed to induce or influence unitholders not to invest in the Stable Value Fund or to transfer assets out of the Stable Value Fund. Withdrawals initiated by the Plan administrator will normally be provided at NAV as soon as practicable within twelve months following written notice to the trustee. Plan participants are not permitted to make a direct exchange from the Stable Value Fund to a competing fund (e.g., money market fund, short term bond fund), as defined by the Stable Value Fund.

AssuranceAmerica Corporation 401(k) Retirement Plan

Notes to the Financial Statements (Continued)

Note F - Tax Status

The Plan, as adopted, is a volume submitter plan of Fidelity, which does not require an application for a determination letter from the Internal Revenue Service (IRS). The volume submitter plan has received an opinion letter from the IRS dated June 30, 2020 stating that the form of the Plan is qualified under Section 401(a) of the IRC, and therefore, the related trust is tax-exempt. The Plan administrator has determined that it is eligible to and has chosen to rely on the current IRS volume submitter plan opinion letter. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualified status. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified and the related trust is tax-exempt.

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

Note G - Related Party and Party-in-Interest Transactions

The Plan invests in mutual funds and a common/collective trust fund managed by an affiliate of Fidelity. Fidelity serves as the trustee for the Plan. Transactions in such investments qualify as party-in-interest transactions and are exempt from the prohibited transaction rules under ERISA.

Participating employers include AssuranceAmerica Insurance Company, AssuranceAmerica Managing General Agency, LLC, and Trustway Services, LLC.

The Plan allows loans to certain participants that are secured by the balances in the participants' accounts. As such, loans to participants represent transactions with parties-in-interest.

Note H - Concentrations

The Plan's investments held in Fidelity funds represent 20% and 23% of the Plan's total assets as of December 31, 2022 and 2021, respectively. The Plan's investments held in flexPATH funds represent 68% and 63% of the Plan's total assets as of December 31, 2022 and 2021, respectively.

AssuranceAmerica Corporation 401(k) Retirement Plan

E.I.N. 87-0281240 Plan No. 001

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

As of December 31, 2022

(a)	(b) Identity of Issuer	(c) Description of Investment	(d) Historical cost**	(e) Current Value
Investments:				
*	FA STABLE VALUE I	Common/collective trust	**	\$ 487,845
	FLEXPATH MOD RET R1	Common/collective trust	**	195,443
	FLEXPATH AGR 2025 R1	Common/collective trust	**	1,787
	FLEXPATH MOD 2025 R1	Common/collective trust	**	2,049,310
	FLEXPATH CON 2025 R1	Common/collective trust	**	14,967
	FLEXPATH AGR 2035 R1	Common/collective trust	**	46,928
	FLEXPATH MOD 2035 R1	Common/collective trust	**	4,451,625
	FLEXPATH CON 2035 R1	Common/collective trust	**	35,229
	FLEXPATH AGR 2045 R1	Common/collective trust	**	615,843
	FLEXPATH MOD 2045 R1	Common/collective trust	**	1,163,837
	FLEXPATH CON 2045 R1	Common/collective trust	**	4,818
	FLEXPATH AGR 2055 R1	Common/collective trust	**	6,705
	FLEXPATH MOD 2055 R1	Common/collective trust	**	918,665
	FLEXPATH CON 2055 R1	Common/collective trust	**	5,292
	MID CAP VALUE R1	Common/collective trust	**	50,672
	BLKRK ENERGY OPPS I	Mutual Fund	**	244,152
	C&S REAL ESTATE Z	Mutual Fund	**	28,250
	BLKRK EMERGING MKT K	Mutual Fund	**	52,614
*	FA CONSUMER DISC I	Mutual Fund	**	75,663
*	FA CONS STAPLES I	Mutual Fund	**	109,863
*	FA GOLD I	Mutual Fund	**	69,725
*	FA COMM SERVICES Z	Mutual Fund	**	47,940
	TRP FINANCIAL SRVS I	Mutual Fund	**	24,453
	FKLN UTILITIES ADV	Mutual Fund	**	166,439
*	FID MID CAP IDX	Mutual Fund	**	107,565
*	FID INTL INDEX	Mutual Fund	**	115,398
*	FID SM CAP IDX	Mutual Fund	**	110,382
*	FID 500 INDEX	Mutual Fund	**	1,184,990
*	FID US BOND IDX	Mutual Fund	**	75,289
*	FA GROWTH OPPS Z	Mutual Fund	**	348,277
*	FA GLB COMDTY STK Z	Mutual Fund	**	8,757
	GS SM CP VAL INS R6	Mutual Fund	**	172,746
	J H GLB TECH INNV I	Mutual Fund	**	281,046
	JPM SM CAP GROWTH R6	Mutual Fund	**	85,377
	J H ENTERPRISE I	Mutual Fund	**	67,105
	PIONEER BOND Y	Mutual Fund	**	68,807
	PIONEER EQ INCOME Y	Mutual Fund	**	107,069
	BLKRK HLTH SCI OPP K	Mutual Fund	**	207,049
*	FID GOVT MMKT	Mutual Fund	**	433
	TRP OVERSEAS STOCK	Mutual Fund	**	29,565
	Total Investments			13,837,920
*	Notes receivable from participants	Interest rates 4.25% - 8.00%	0	70,539
	Total			\$ 13,908,459

* Indicates a party-in-interest to the Plan, as defined by ERISA.

** Cost is not required for participant-directed investments.

The information in this schedule has been certified as to its completeness and accuracy by the trustee, Fidelity Management Trust Company.