

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>ARC 401(K) PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 85%;"><u>001</u></td> </tr> <tr> <td>1c Effective date of plan</td> <td><u>02/15/2007</u></td> </tr> <tr> <td>2b Employer Identification Number (EIN)</td> <td><u>26-0042961</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number</td> <td><u>310-671-4400</u></td> </tr> <tr> <td>2d Business code (see instructions)</td> <td><u>611000</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan	<u>02/15/2007</u>	2b Employer Identification Number (EIN)	<u>26-0042961</u>	2c Plan Sponsor's telephone number	<u>310-671-4400</u>	2d Business code (see instructions)	<u>611000</u>
1b Three-digit plan number (PN) ▶	<u>001</u>											
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2b Employer Identification Number (EIN)	<u>26-0042961</u>											
2c Plan Sponsor's telephone number	<u>310-671-4400</u>											
2d Business code (see instructions)	<u>611000</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>GOOD SPORTS PLUS, LTD. DBA ARC</u> <u>370 AMAPOLA AVENUE, SUITE 208</u> <u>TORRANCE, CA 90501</u>											

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/26/2023	BRAD LUPIEN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/26/2023	BRAD LUPIEN
	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		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;">5</td> <td style="border: 1px solid black; text-align: right;">259</td> </tr> </table>	5	259																		
5	259																					
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).		<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="background-color: #f2f2f2; height: 20px;"></td> </tr> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;">6a(1)</td> <td style="border: 1px solid black; text-align: right;">137</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6a(2)</td> <td style="border: 1px solid black; text-align: right;">128</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6b</td> <td style="border: 1px solid black; text-align: right;">0</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6c</td> <td style="border: 1px solid black; text-align: right;">81</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6d</td> <td style="border: 1px solid black; text-align: right;">209</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6e</td> <td style="border: 1px solid black; text-align: right;">0</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6f</td> <td style="border: 1px solid black; text-align: right;">209</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6g</td> <td style="border: 1px solid black; text-align: right;">209</td> </tr> <tr> <td style="border: 1px solid black; text-align: center;">6h</td> <td style="border: 1px solid black; text-align: right;">33</td> </tr> </table>			6a(1)	137	6a(2)	128	6b	0	6c	81	6d	209	6e	0	6f	209	6g	209	6h	33
6a(1)	137																					
6a(2)	128																					
6b	0																					
6c	81																					
6d	209																					
6e	0																					
6f	209																					
6g	209																					
6h	33																					
a(1) Total number of active participants at the beginning of the plan year																						
a(2) Total number of active participants at the end of the plan year																						
b Retired or separated participants receiving benefits																						
c Other retired or separated participants entitled to future benefits.....																						
d Subtotal. Add lines 6a(2) , 6b , and 6c																						
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.																						
f Total. Add lines 6d and 6e																						
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....																						
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....																						
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%; border: 1px solid black; text-align: center;">7</td> <td style="border: 1px solid black;"></td> </tr> </table>	7																			
7																						
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2A 2E 2F 2G 2J 2K 2S 2T 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) ☐ 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 ARC 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 GOOD SPORTS PLUS, LTD. DBA ARC	D Employer Identification Number (EIN) 26-0042961	

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
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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)

CAPITAL GROUP RETIREMENT PLAN SERVI

6455 IRVINE CENTER DRIVE
IRVINE, CA 92618

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
64	RECORDKEEPER	18427	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

DUNCAN ACCOUNTING & TAX SERVICES IN

311 MAIN STREET, SUITE 2
IRWIN, PA 15642-3437

61-1959547

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	CONTRACT ADMIN	11815	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

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

RAYMOND JAMES FINANCIAL SERVICES

880 CARILON PARKWAY
TREASURY - MF TRAILS
ST PETERSBURG, FL 33716

(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	INVESTMENT ADVISOR	9777	Yes ☐ No ☒	Yes ☐ No ☒	0	Yes ☐ No ☒

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(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 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>ARC 401(K) PLAN</u>		B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>GOOD SPORTS PLUS, LTD. DBA ARC</u>		D Employer Identification Number (EIN) <u>26-0042961</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	4241	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	975	121342
(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	14489
(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)	26558	45487
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(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)	2673088	2335221
(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	2704862	2516539

Liabilities

g Benefit claims payable	1g	0	
h Operating payables	1h	0	
i Acquisition indebtedness	1i	0	
j Other liabilities	1j	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	2704862	2516539
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	294627	
(B) Participants	2a(1)(B)	226504	
(C) Others (including rollovers)	2a(1)(C)	3814	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		524945
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	168	
(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)	1224	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1392
(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)	114242	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		114242
(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)		0
(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)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(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)		-565237
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		75342
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	224695	
(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)		224695
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)	28930	
(4) Other	2i(4)	10040	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		38970
j Total expenses. Add all expense amounts in column (b) and enter total	2j		263665
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-188323
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: HUTCHINSON AND BLOODGOOD, LLP

(2) EIN: 95-0858589

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		18123

	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		275000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

ARC 401(K) PLAN

Financial Report

Years ended December 31, 2022 and 2021

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of the
Arc 401(k) Plan
Torrance, California

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

We have performed audits of the financial statements of Arc 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, 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 (DOL) 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditors' 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 (U.S. GAAP).
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

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

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 within one year after the date that the financial statements are issued or 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.

Auditors' 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 U.S. GAAP.

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

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

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of delinquent participant contributions and assets (held at end of year) as of or for the year ended December 31, 2022, are presented for purposes of additional analysis and are not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion:

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

Hutchinson and Bloodgood LLP

San Diego, California
August 15, 2023

ARC 401(K) PLAN

Statements of Net Assets Available for Benefits
December 31, 2022 and 2021

	2022	2021
ASSETS		
Cash in transit	\$ --	\$ 4,241
Investments, at fair value:		
Mutual funds	<u>2,349,710</u>	<u>2,673,088</u>
Total investments	<u>2,349,710</u>	<u>2,673,088</u>
Receivables:		
Notes receivable from participants	45,487	26,558
Employer contributions receivable	<u>121,342</u>	<u>975</u>
Total receivables	<u>166,829</u>	<u>27,533</u>
Total assets	<u>2,516,539</u>	<u>2,704,862</u>
LIABILITIES	--	--
Net assets available for benefits	<u>\$ 2,516,539</u>	<u>\$ 2,704,862</u>

ARC 401(K) PLAN

Statements of Changes in Net Assets Available for Benefits
Years ended December 31, 2022 and 2021

	2022	2021
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment (loss) income:		
Net (depreciation) appreciation in fair value of investments	\$ (565,237)	\$ 254,938
Interest and dividends	114,410	105,317
Net investment (loss) income	(450,827)	360,255
Interest income on notes receivable from participants	1,224	1,771
Contributions:		
Participant contributions	226,504	215,824
Rollover contributions	--	11,838
Employer contributions, net of forfeitures	294,628	156,464
Other contributions	31	650
Total contributions	521,163	384,776
Other income	3,783	--
Total additions	75,343	746,802
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Distributions paid to participants	226,945	308,697
Administrative expenses	36,721	26,839
Total deductions	263,666	335,536
Net (decrease) increase	(188,323)	411,266
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	2,704,862	2,293,596
End of year	<u>\$ 2,516,539</u>	<u>\$ 2,704,862</u>

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 1. DESCRIPTION OF THE PLAN

The following description of the Arc 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan agreement or the summary plan description for a more complete description of the Plan's provisions.

General: The Plan is a defined contribution plan covering substantially all employees of Good Sports Plus, Ltd. (dba Arc) (the Company), except for employees covered by collective bargaining agreements and nonresident aliens. Effective January 1, 2022, the Plan adopted a defined contribution pre-approved plan sponsored by Duncan Financial Group, LLC. The Plan engages Capital Bank and Trust Company as Trustee and Custodian to hold and invest plan assets and execute plan transactions. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility: Employees over the age of 21 are eligible to participate in the Plan following the completion of one year of service. Participants may participate in the Plan on the first day of the plan year quarter after eligibility requirements are met.

Contributions: Eligible employees may elect to defer a percentage of their pre-tax or post-tax annual compensation as defined in the Plan. The maximum amount contributed during any calendar year may not exceed the limit permitted under Section 402(g)(5) of the Internal Revenue Code. The maximum contribution was \$20,500 and \$19,500 for the calendar years 2022 and 2021, respectively. However, participants who had attained age 50 by year end could also make catch-up contributions of \$6,500 for the calendar years 2022 and 2021. Participants may also contribute amounts representing transfers from other qualified defined benefit or contribution plans.

The Company may make a discretionary matching contribution that equals a percentage of participants' 401(k) salary deferrals. The percentage is determined each year. For 2022 and 2021, the Company did not make matching contributions.

The Company may also make a discretionary profit sharing contribution each plan year. Participants who are eligible to participate in the Plan, will share in the discretionary profit sharing contribution. For the years ended December 31, 2022 and 2021, the Company made a profit sharing contribution of \$115,972 and \$0, respectively.

Under the 401(k) provision of the Plan, the Company is required to make a nonelective Safe Harbor contributions to each eligible participant in an amount equal to 3% of each participant's compensation, up to the first \$305,000 of wages, whether or not they have elected to contribute to the Plan.

Participant Accounts: Each participant's account is credited with the participant's contribution and rollovers, the Company discretionary matching contribution, as well as an allocation of (a) the discretionary profit-sharing contribution (b) nonelective safe harbor contribution and (c) the plan earnings. Allocations are based on participant salaries or account balances, as required by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 1. DESCRIPTION OF THE PLAN (CONTINUED)

Vesting: For the salary deferrals and 401k Safe Harbor contributions, participants are immediately vested in their contributions plus actual earnings. Vesting in the Company's matching portion and profit-sharing portion of their accounts plus actual earnings thereon is based on years of continuous service. Employer matching and profit sharing contributions are vested on a five year graduated term (i.e. 20% vested after 1 year of service, 40% vested after 2 years, 60% vested after 3 years, etc). A participant is 100 percent vested after five years of credited service.

Notwithstanding the above, a participant will become fully vested in their account upon (1) attaining the age of 65 or (2) death or (3) total and permanent disability. Participants are always 100% vested in Safe Harbor contributions without regard to years of service.

Payments of Benefits: Upon retirement, death, or other termination of service, a participant's vested account shall be made in a lump sum. Partial withdrawals or installments are only permitted for Participants or Beneficiaries who must receive required minimum distributions. If the participant's vested account is greater than \$1,000, a participant may elect to receive a lump sum or partial withdrawal by submitting a request for payment. In any case, participant consent is required for distributions over \$1,000.

Hardship Withdrawals: Participants may withdraw a percentage of their pre-tax account balance attributable to their own employee contributions or rollovers upon approval of the plan administrator and subject to IRS hardship withdrawal rules.

In-Service Withdrawals: Participants who have reached age 59-1/2 may make a cash withdrawal at any time from any of their vested contributions.

Administrative Expenses: Administrative expenses are borne by both the Plan and the Company. Administrative expenses charged to the Plan include investment advisor fees, distribution fees, and loan fees. Other plan expenses paid by the Company include record-keeping fees, advisory fees, and audit fees.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The financial statements of the Plan are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires plan administrator to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and reported amounts during the reporting period. Accordingly, actual results could differ from the estimated amounts.

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Notes Receivable from Participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Investment Valuation and Income Recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in the fair value of investments consists of net realized gains or losses and the net unrealized appreciation or depreciation in the fair value of investments.

Payments of Benefits: Benefits are recorded when paid.

Risks and Uncertainties: The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur and that such changes could materially affect participants' account balances and the amounts reported in the financial statements.

The Plan invests in various investment options that invest in securities of foreign companies, which involve special risks and considerations not typically associated with investing in U.S. companies. These risks include devaluation of currencies, less reliable information about issuers, different securities transaction clearance and settlement practices, and possible adverse political and economic developments. Moreover, securities of many foreign companies and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies.

Subsequent Events: The plan administrator has evaluated its December 31, 2022 and 2021 financial statements for subsequent events through August 15, 2023, the date of issuance of the financial statements. The plan administrator is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 3. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE/CUSTODIAN

The Trustee of the Plan certified certain information as of and for the years ended December 31, 2022 and 2021. The certified information was not audited in accordance with the plan administrator's instructions and as permitted by Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Information included in the accompanying financial statements and supplementary schedules, certified by the Trustee, consists of the following:

December 31,	2022	2021
Cash in transit	\$ --	\$ 4,241
Investments, at fair value:		
Mutual funds	2,349,710	2,673,088
Notes receivable from participants	45,487	26,558
Net investment (loss) income	(450,827)	360,255
Interest income on notes receivable from participants	1,224	1,771

NOTE 4. FAIR VALUE MEASUREMENTS

The fair value measurement topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) establishes 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 hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

- Level 1. Inputs to valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2. Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3. Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 4. FAIR VALUE MEASUREMENTS (CONTINUED)

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

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

- *Mutual funds*: Valued at the net asset value of shares held by the Plan at year end. Valuations are based on quoted prices in active markets for identical assets or liabilities.

The methods 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 administrator believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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

Assets at fair value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 2,349,710	\$ --	\$ --	\$ 2,349,710
Total investments, at fair value	<u>\$ 2,349,710</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,349,710</u>

Assets at fair value as of December 31, 2021				
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 2,673,088	\$ --	\$ --	\$ 2,673,088
Total investments, at fair value	<u>\$ 2,673,088</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 2,673,088</u>

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 5. FORFEITURES

Participants who are not 100% vested will forfeit the nonvested portion of the employer match and profit sharing contributions upon termination of employment. Forfeitures will be used to reinstate previously forfeited account balances of former participants, pay plan administrative expenses, or reduce future employer contributions. Forfeitures of \$8,490 and \$243 were used to pay plan administrative expenses and reduce employer contributions, respectively, for the year ended December 31, 2022. No forfeitures were used to reduce employer contributions for the year ended December 31, 2021. There were \$14,114 and \$16,080 in forfeitures available as of December 31, 2022 and 2021, respectively.

NOTE 6. NOTES RECEIVABLE FROM PARTICIPANTS

A participant may borrow up to 50% of their vested account balance to a maximum of \$50,000, reduced by the participant's highest outstanding loan balance in the previous twelve months. The repayment term of the loan is not to exceed five years, except for loans used to purchase or improve the participant's primary residence, which has a repayment term not to exceed 20 years. These loans are secured by the balance in the participant's account and bears an interest rate equal to 2% above the prime rate. Principal and interest is paid through payroll deductions.

NOTE 7. FEDERAL INCOME TAX STATUS

The Plan adopted an defined contribution pre-approved plan sponsored by Duncan Financial Group, LLC. The prototype plan provider has received an opinion letter from the Internal Revenue Service on May 27, 2021, stating that the Plan, as then designed was in compliance with the applicable requirements of the Internal Revenue Code. The prototype plan opinion letter has been relied upon by this Plan. The plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the Code and, therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the taxing authority. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audit by taxing jurisdictions, however, there are currently no audits for any tax periods in progress.

NOTE 8. PARTICIPANT WITHDRAWALS AND DISTRIBUTIONS

At December 31, 2022 and 2021, there were no unpaid distributions included in accounts of participants who have elected to withdraw from participation in the Plan.

ARC 401(K) PLAN

Notes to Financial Statements
December 31, 2022 and 2021

NOTE 9. PLAN TERMINATION

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

NOTE 10. PARTY-IN-INTEREST TRANSACTIONS

During the calendar years 2022 and 2021, certain plan investments were invested in shares of mutual funds held and managed by Capital Bank and Trust, the Trustee. Therefore, these transactions qualified as party-in-interest transactions under ERISA.

NOTE 11. PROHIBITED TRANSACTIONS

Delinquent Contributions: During the years ended December 31, 2018 and 2019, the Company inadvertently failed to deposit participant deferrals timely. The Department of Labor (DOL) considers late deposits to be prohibited transactions. These late deposits were corrected in full in 2023.

Supplemental Schedules

ARC 401(K) PLAN

Schedule H, Line 4a - Schedule of Delinquent Participant Contributions

E.I.N. 26-0042961, Plan No. 001

December 31, 2022

December 31, 2022	Total that Constitute Nonexempt Prohibited Transaction			
Participant Contributions Transferred Late to Plan	Contributions not Corrected	Contributions Corrected Outside *VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and **PTE 2002-51
Check Here if Late Participant Loan Repayments are Included				
X	\$ -	\$ 18,123	\$ -	\$ -

*Voluntary Fiduciary Correction Program

**Prohibited Transaction Exemption

ARC 401(K) PLAN

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

E.I.N. 26-0042961, Plan No. 001

December 31, 2022

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	Vanguard Total Stock MRK Index- Admiral	Mutual Fund	**	\$ 352,990
*	American Funds 2055 Target Date Fund R6	Mutual Fund	**	347,855
*	American Funds 2060 Target Date Fund R6	Mutual Fund	**	267,993
*	American Funds 2050 Target Date Fund R6	Mutual Fund	**	240,996
	JP Morgan Equity Income R6	Mutual Fund	**	165,932
*	American Funds 2030 Target Date Fund R6	Mutual Fund	**	136,407
*	American Funds 2045 Target Date Fund R6	Mutual Fund	**	136,146
*	American Funds 2025 Target Date Fund R6	Mutual Fund	**	130,665
	PIMCO Income Instl	Mutual Fund	**	111,013
	Western Asset Core Bond IS	Mutual Fund	**	88,369
*	American Funds 2020 Target Date Fund R6	Mutual Fund	**	75,753
*	American Funds 2040 Target Date Fund R6	Mutual Fund	**	74,906
	Ishares MSCI EAFE International Index K	Mutual Fund	**	66,265
	Blackrock Health Sciences OPPS K	Mutual Fund	**	41,693
	MFS Mid Cap Growth R6	Mutual Fund	**	35,020
*	American Funds 2035 Target Date Fund R6	Mutual Fund	**	31,789
*	American Funds US GOVT Money Market R6	Mutual Fund	**	14,489
	MFS Technology R6	Mutual Fund	**	13,058
*	American Funds 2065 Target Date Fund R6	Mutual Fund	**	12,900
	Franklin Growth R6	Mutual Fund	**	4,779
	Ishares Russell 2000 Small-Cap Index K	Mutual Fund	**	426
	Neuberger Berman Emerg Mkts EQ R6	Mutual Fund	**	121
	Vanguard Mid Cap Value R6	Mutual Fund	**	83
	Putnam Small Cap Value R6	Mutual Fund	**	62
	Total investments	Subtotal		2,349,710
*	Participant loans	Interest rate: 5.25 - 9.00%, maturing 2023 - 2027	-0-	45,487
Total				<u>\$ 2,395,197</u>

*Represents a party-in-interest.

**Cost omitted in accordance with Department of Labor's reporting requirements for participant-directed accounts.

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with
the Instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2022****This Form is Open to Public
Inspection****Part I Annual Report Identification Information**

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

- 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 Arc 401 (k) Plan	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 02/15/2007
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) Good Sports Plus, Ltd. dba Arc 370 Amapola Avenue, Suite 208 US Torrance CA 90501	2b Employer Identification Number (EIN) 26-0042961
	2c Plan Sponsor's telephone number (310) 671-4400
	2d Business code (see instructions) 611000

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		9/26/23	Brad Lupien
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		9/26/23	Brad Lupien
	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 and 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	5 259
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) 137
a(2) Total number of active participants at the end of the plan year	6a(2) 128
b Retired or separated participants receiving benefits	6b 0
c Other retired or separated participants entitled to future benefits	6c 81
d Subtotal. Add lines 6a(2), 6b, and 6c.	6d 209
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e 0
f Total. Add lines 6d and 6e	6f 209
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 209
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 33
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: 2A 2E 2F 2G 2J 2K 2S 2T 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)	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	(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) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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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 _____

[illegible]

Schedule H, Line 4

Schedule of Delinquent Participant Contributions

For the Plan Year Beginning 01/01/2022 and Ending 12/31/2022

Name of Plan: Arc 401 (k) Plan

Employer Identification Number: 26-0042961 Three-digit plan number: 001

[illegible]