

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 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 SOFTDOCS SC, LLC 401(K) PLAN	1b Three-digit plan number (PN) ▶	001
1c Effective date of plan 01/01/2005		
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) SOFTDOCS SC, LLC 807 BLUFF ROAD COLUMBIA, SC 29201	2b Employer Identification Number (EIN) 57-1072887	2c Plan Sponsor's telephone number 919-665-7117
	2d Business code (see instructions) 511210	

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.	10/13/2023	CHRISTINA WILLIAMS
	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		5 151
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) 107
a(2) Total number of active participants at the end of the plan year		6a(2) 116
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits.....		6c 65
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 181
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 181
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 178
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 14
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 2S 2E 3D 2G 2J 2K 2F 2T 3F		
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 SOFTDOCS SC, LLC 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SOFTDOCS SC, LLC	D Employer Identification Number (EIN) 57-1072887	

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	
FIRST CITIZENS INV SVCS	1230 MAIN STREET COLUMBIA, SC 29201

(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)

MERRILL LYNCH RETIREMENT & BENEFIT

13-5674085

(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 50	NONE	11471	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIRST CITIZENS BANK & TRUST.

PO BOX 29522
RALEIGH, NC 27626

(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 50	NONE	8882	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

ASCENSUS LLC

11-3665754

(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?
55 99 64 15 50 62	NONE	2453	Yes ☒ No ☐	Yes ☒ No ☐	12	Yes ☐ No ☒

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SOFTDOCS SC, LLC 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SOFTDOCS SC, LLC		D Employer Identification Number (EIN) 57-1072887
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: GOALVIEW MODERATELY AGGRESSIVE INST		
b Name of sponsor of entity listed in (a): AMERICAN TRUST COMPANY		
c EIN-PN 92-2348703-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 345675
a Name of MTIA, CCT, PSA, or 103-12 IE: GOALVIEW AGGRESSIVE INSTITUTIONAL		
b Name of sponsor of entity listed in (a): AMERICAN TRUST COMPANY		
c EIN-PN 92-2348703-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 220
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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

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

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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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
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**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>SOFTDOCS SC, LLC 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>SOFTDOCS SC, LLC</u>	D Employer Identification Number (EIN) <u>57-1072887</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	<u>7167</u>	<u>0</u>
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)	<u>34282</u>	<u>13049</u>
(9) Value of interest in common/collective trusts.....	1c(9)		<u>345895</u>
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	<u>4878808</u>	<u>3517678</u>
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	4920257	3876622

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	4920257	3876622
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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)	0	
(B) Participants	2a(1)(B)	585895	
(C) Others (including rollovers)	2a(1)(C)	284501	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		870396
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	965	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		965
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	46743	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		46743
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-45180
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-860908
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		12016
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1032845	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1032845
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	2453	
(3) Investment advisory and management fees	2i(3)	20353	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		22806
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1055651
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-1043635
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: ELLIOTT DAVIS

(2) EIN: 57-0381582

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		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SOFTDOCS SC, LLC 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 SOFTDOCS SC, LLC		D Employer Identification Number (EIN) 57-1072887
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 45-0404698		
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 _____

Softdocs Holdings LLC

Report on Consolidated Financial Statements

***For the year ended December 31, 2022 and for the period from
January 8, 2021 (commencement of operations)
through December 31, 2021***

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Independent Auditor's Report

To the Board of Directors
of Softdocs Holdings LLC
Columbia, South Carolina

Opinion

We have audited the accompanying consolidated financial statements of Softdocs Holdings LLC, which comprise the consolidated balance sheet as of December 31, 2022 and 2021, and the related consolidated statements of operations, members' equity, and cash flows for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021, and the related notes to the consolidated financial statements (collectively, the "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Softdocs Holdings LLC as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Softdocs Holdings LLC 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 audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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.

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 Softdocs Holdings LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 Softdocs Holdings LLC'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 Softdocs Holdings LLC's ability to continue as a going concern for a reasonable period of time.

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

A handwritten signature in black ink that reads "Elliott Davis, LLC". The signature is written in a cursive, flowing style.

Columbia, South Carolina
March 22, 2023

Softdocs Holdings LLC

Consolidated Balance Sheets

As of December 31, 2022 and 2021

	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 2,741,057	\$ 1,969,260
Accounts receivable	4,208,602	2,868,961
Prepaid expenses and other current assets	536,899	522,932
Total current assets	7,486,558	5,361,153
Noncurrent assets		
Goodwill	59,897,701	59,897,701
Intangible assets, net	39,330,476	43,615,238
Software development costs, net	2,806,159	2,814,162
Property and equipment, net	251,656	442,192
Right-of-use asset, net	907,707	-
Total noncurrent assets	103,193,699	106,769,293
Total assets	\$ 110,680,257	\$ 112,130,446
Liabilities and Members' Equity		
Current liabilities		
Accounts payable	\$ 483,959	\$ 857,711
Accrued expenses and other liabilities	1,129,317	1,676,049
Current portion of deferred revenue	12,572,337	9,622,527
Current portion of lease liability	290,529	-
Current portion of long-term debt	287,706	229,280
Total current liabilities	14,763,848	12,385,567
Long-term liabilities		
Deferred revenue, net of current portion	1,553,547	821,832
Lease liability, net of current portion	617,178	-
Long-term debt, net of current portion	22,055,310	22,106,448
Total long-term liabilities	24,226,035	22,928,280
Total liabilities	38,989,883	35,313,847
Members' equity	71,690,374	76,816,599
Total liabilities and members' equity	\$ 110,680,257	\$ 112,130,446

See Notes to Consolidated Financial Statements

Softdocs Holdings LLC

Consolidated Statements of Operations

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

	2022	2021
Net sales	\$ 21,152,247	\$ 15,980,135
Cost of sales	5,892,090	7,106,501
Gross profit	15,260,157	8,873,634
Operating expenses		
General and administrative expenses	15,179,465	10,192,660
Depreciation	151,176	173,005
Amortization	4,292,766	6,846,573
Total operating expenses	19,623,407	17,212,238
Loss from operations	(4,363,250)	(8,338,604)
Other income (expenses)		
Acquisition costs	-	(3,654,524)
Gain on release of earnout liability	1,100,000	-
Interest expense	(1,867,147)	(1,705,964)
Miscellaneous income, net	4,172	15,691
Total other income (expenses)	(762,975)	(5,344,797)
Net loss	\$ (5,126,225)	\$ (13,683,401)

See Notes to Consolidated Financial Statements

Softdocs Holdings LLC

Consolidated Statements of Members' Equity

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

	Class A Capital	Accumulated Deficit	Total
<i>Balance, January 8, 2021</i>	\$ -	\$ -	\$ -
Contributed capital	90,500,000	-	90,500,000
Net loss	-	(13,683,401)	(13,683,401)
<i>Balance, December 31, 2021</i>	<u>90,500,000</u>	<u>(13,683,401)</u>	<u>76,816,599</u>
Net loss	-	(5,126,225)	(5,126,225)
<i>Balance, December 31, 2022</i>	<u>\$ 90,500,000</u>	<u>\$ (18,809,626)</u>	<u>\$ 71,690,374</u>

See Notes to Consolidated Financial Statements

Softdocs Holdings LLC

Consolidated Statements of Cash Flows

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

	2022	2021
Operating activities		
Net loss	\$ (5,126,225)	\$ (13,683,401)
Adjustments to reconcile net loss to net cash provided by (used for) operating activities		
Depreciation	151,176	173,005
Amortization	7,081,201	9,551,375
Noncash operating lease expense	286,885	-
Gain on sale of property and equipment	(5,742)	(12,000)
Changes in operating assets and liabilities		
Accounts receivable	(1,339,641)	(997,603)
Prepaid expenses and other current assets	(13,967)	(167,490)
Accounts payable	(373,752)	540,422
Accrued expenses and other liabilities	(546,732)	(2,091,618)
Deferred revenue	3,681,525	3,334,401
Lease liability	(286,885)	-
Net cash provided by (used for) operating activities	3,507,843	(3,352,909)
Investing activities		
Investments in software development	(2,697,688)	(2,614,053)
Purchases of property and equipment	-	(138,186)
Acquisition, net of cash acquired	-	(104,682,572)
Proceeds from sale of property and equipment	45,102	12,000
Net cash used for investing activities	(2,652,586)	(107,422,811)
Financing activities		
Payments on long-term debt	(171,960)	(229,280)
Proceeds from long-term debt	88,500	22,928,000
Contributed capital	-	90,500,000
Debt issuance costs	-	(453,740)
Net cash provided by (used for) financing activities	(83,460)	112,744,980
Net change in cash	771,797	1,969,260
Cash and cash equivalents, beginning	1,969,260	-
Cash and cash equivalents, end	\$ 2,741,057	\$ 1,969,260
Supplemental cash flow information		
Cash paid for interest	\$ (1,518,450)	\$ (1,394,124)

See Notes to Consolidated Financial Statements

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 1. Summary of Significant Accounting Policies and Activities

Nature of business:

Softdocs Holdings LLC (the "Company"), a Delaware limited liability company, was formed to acquire the outstanding stock of Softdocs, Inc. through its investment vehicle, Softdocs Intermediate Holdings LLC ("Intermediate"), pursuant to a membership interest purchase and rollover agreement dated January 8, 2021 (commencement of operations). In conjunction with the acquisition, the former owners of Softdocs, Inc. contributed their entire membership interest in Softdocs Inc. to Softdocs SC, LLC a newly formed limited liability company which, was then acquired by Intermediate.

The Company is a software development and servicing company that creates products designed to streamline business processes through software applications. The Company focuses on the development, implementation and support of enterprise content management and workflow services for the educational and local government marketplaces. The Company is located in Columbia, South Carolina.

Business combinations:

Business combinations are accounted for using the purchase method of accounting, whereby the purchase price of the acquisition, including the fair value of contingent consideration, is allocated to the assets and liabilities using the fair values determined by management as of the acquisition date. The results of operations of all business acquisitions are included in the accompanying consolidated financial statements from the date of acquisition.

Goodwill, as of the acquisition date, is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While the Company uses its best estimates and assumptions as part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, the Company's estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, to the extent the Company identifies adjustments to the purchase price or the purchase price allocation, the Company records adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the statements of operations.

All acquisition related expenses incurred in connection with a business combination are expensed as incurred and are reflected in other income (expense) in the accompanying consolidated statements of operations.

Goodwill:

Goodwill arising from business combinations represents the excess of the purchase price over the fair value of the net assets acquired. The carrying value of goodwill is reviewed when circumstances and events indicate that the asset might be impaired and the undiscounted cash flows estimated to be generated by the Company is less than the carrying value of these assets. If the estimated fair value is less than book value, then impairment is deemed to have occurred. Management does not believe there are any impairment issues with goodwill as of December 31, 2022 nor 2021. Recorded goodwill totaled \$59,897,701 as of December 31, 2022 and 2021.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents:

Cash and cash equivalents include cash and investments in highly liquid instruments purchased with original maturities of three months or less.

Concentrations of credit risk:

At times the Company maintains bank deposits in excess of the federally insured limit. Management monitors the soundness of these financial institutions and assesses risks associated with such institutions. See Note 11.

Revenue recognition and deferred revenue:

A performance obligation is a promise in a contract to transfer a distinct product or service to a customer and is the unit of account. The transaction price of a contract is allocated to each performance obligation identified. The Company recognizes revenue as performance obligations are satisfied at a point in time based on the transfer of control of products to customers. To indicate the transfer of control, the Company must have a present right to payment, legal title must have passed to the customer, the customer must have the significant risks and rewards of ownership, and where acceptance is not a formality, the customer must have accepted the product or service.

In accordance with ASU 2014-09, *Revenue from Contracts with Customers (ASC 606)*, revenue is recognized when a customer obtains control of promised services, in an amount that reflects the consideration the Company expects to be entitled to receive in exchange for those services. In determining the amount of revenue to be recognized, the Company performs the following steps: (i) identification of the contract with a customer; (ii) identification of the promised services in the contract and determination of whether the promised services are performance obligations, including whether they are distinct in the context of the contract; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

Revenue is recognized when services are completed except for subscription-based arrangements, where revenue is generally recognized on a straight-line basis over the period of contract performance. Amounts billed in advance of the period in which it is earned are recorded as deferred revenue and considered contract liabilities. Costs incurred under these service contracts are expensed as incurred. Earnings related to such service contracts may fluctuate from period to period.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Revenue recognition and deferred revenue, continued:

As a result of the January 2021 acquisition, a deferred revenue step-up was determined based on the projected cost of sales needed to fulfill the performance obligations and included an appropriate profit margin. The fair value of the deferred revenue step-up was determined to be \$2,808,858 and is amortized over one year and presented in the accompanying consolidated balance sheet as a reduction of the carrying amount of deferred revenue. Amortization of the deferred revenue step-up is reported as cost of sales in the accompanying consolidated statements of operations. At December 31, 2022 and 2021, the net balance of the deferred revenue step-up is \$0. Amortization expense related to the deferred revenue step-up for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021 was \$0 and \$2,808,858, respectively.

Accounts receivable:

Accounts receivable are carried at original invoice amount less amounts deemed uncollectible based on a periodic review of all outstanding amounts. Management does not establish an allowance for doubtful accounts but rather will recognize bad debts when they occur due to their customer concentration of education and/or government entities with limited credit risk. The Company recognized \$75,661 and \$0 in bad debt expense for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021, respectively.

Property and equipment:

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed principally by the straight-line method for financial reporting purposes, with useful lives which range from three to ten years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Upon the sale or other retirement of depreciable property, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in operations. Property and equipment are reviewed on an ongoing basis for impairment based on a comparison of carrying value to fair value. If an impairment is identified, the asset's carrying value is adjusted to fair value in the year identified.

Advertising:

The Company expenses the cost of advertising in the period in which it is incurred. Advertising expense for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021 was \$81,333 and \$107,178, respectively.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Income taxes:

The Company has been structured as an LLC (limited liability corporation) under a legal entity structure where the taxation is performed at a holding company. Accordingly, the accompanying financial statements do not include a provision for income taxes. Management is not aware of any material uncertain income tax positions at December 31, 2022 or 2021. Any interest or penalties associated with unrecognized tax expense would be classified as additional income taxes in the consolidated statements of operations.

Debt issuance costs:

Debt issuance costs are amortized over the lives of the related debt using a method that approximates the interest rate method. The Company adopted the requirements in ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of the debt rather than as an asset. Amortization of the debt issuance costs is reported as interest expense in the accompanying consolidated statements of operations. At December 31, 2022 and 2021, net debt issuance costs totaled approximately \$272,244 and \$362,992, respectively. Amortization expense related to debt issuance costs for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021 was approximately \$90,748. Amortization expense is estimated to be \$90,748 in each of the years 2023 through 2025.

Software development costs:

The Company incurs costs to develop hosted software which is deployed over various applications for use by customers. The Company accounts for such costs under ASC 350-40, *Intangibles – Goodwill and Other: Internal Use Software*. The Company capitalizes significant upgrades and enhancements resulting in additional functionality and labor costs incurred during the application development stage, which includes costs to design the software configuration and interfaces, coding, installation, and testing. Costs incurred during preliminary and post-implementation stages of computer software are expensed as incurred. Research and development costs are charged to expense as incurred. Capitalized development costs are amortized on a straight-line basis over the estimated useful life of the project, typically 3 years, once implemented.

The capitalization and ongoing assessment of recoverability of software development costs requires judgment by management with respect to certain external factors, including, but not limited to, technological and economic feasibility, and the estimated economic life of the software. The Company evaluates software for impairment whenever events or changes in circumstances indicate that the asset's carrying amount may not be recoverable. If the Company determined the asset's value to be impaired, the asset's value would be decreased to the estimated fair value and an impairment loss would be recorded. Management did not identify any impairment indicators related to capitalized software development costs as of December 31, 2022 or 2021.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Intangible assets:

Intangible assets are the result of the prior year acquisition and consist primarily of customer relations, internally developed software, and the tradename. Intangible assets are recorded at fair value as the result of purchase accounting, based on estimates and judgments regarding expectations for the estimated future after-tax earnings and cash flows. Definite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, which are generally between 1 and 20 years.

Reclassifications:

Certain reclassifications have been made to the consolidated financial statements for the period from January 8, 2021 (commencement of operations) through December 31, 2021 to conform to the current year presentation. These reclassifications had no impact on previously reported results of operations, equity, or cash flows.

Leases and the adoption of ASC 842:

The Company adopted FASB ASC 842, *Leases*, with an initial application date of January 1, 2022. For leases with a lease term greater than one year, the Company recognizes a lease asset for its right to use the underlying leased asset and a lease liability for the corresponding lease obligation. Operating lease right-of-use assets and operating lease liabilities are recognized at the lease commencement date based on the present value of remaining lease payments over the lease term. Lease expense is recognized on a straight-line basis over the expected term. In determining the present value of lease payments, the Company does not have access to the rate implicit in the lease, therefore adopted a practical expedient available to private companies to utilize the risk-free discount rate for a period similar to that of the lease term. The Company considers the lease term to be the noncancelable period that it has the right to use the underlying asset, including all periods covered by an option to extend the lease if the Company is reasonably certain to exercise the option. The Company determined that it was not reasonably certain to exercise the renewal options associated with its existing lease and therefore the calculation of the right-of-use asset and liability amounts do not reflect any renewal periods.

The Company elected several additional practical expedients permitted under the transition guidance of the new standard. Under the guidance of these practical expedients, for pre-existing leases, the Company did not re-evaluate (1) whether these contracts contain a lease under the new standard compared to the old standard of ASC 840, (2) the lease classification as operating or capital and (3) whether the initial direct costs capitalized under ASC 840 qualify for capitalization under ASC 842.

As permitted by the new standard, the balance sheet as of December 31, 2021 and results of operations for the period from January 8, 2021 (commencement of operations) through December 31, 2021 continue to be reported in accordance with the historical accounting treatment under ASC 840. Under ASC 840, the Company did not recognize right-of-use assets or liabilities on the balance sheet and instead generally expensed lease payments as incurred.

As a result of adoption of this new guidance, the Company recorded \$1,194,592 of right-of-use assets and \$1,194,542 of lease liabilities as of January 1, 2022. See Note 8.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 1. Summary of Significant Accounting Policies and Activities, Continued

Recently issued accounting pronouncements:

In March 2020, the FASB released ASU 2020-04 - *Reference Rate Reform, Topic 848*, which provides temporary guidance to ease the potential accounting burden in accounting for, or recognizing the effects from, reference rate reform on financial reporting. The new standard is a result of London Interbank Offered Rate (LIBOR) likely being discontinued as an available benchmark rate. The standard is elective and provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, or other transactions that reference LIBOR, or another reference rate expected to be discontinued. The amendments in the update are effective for all entities between March 12, 2020 and December 31, 2022. The Company evaluated debt agreements in which LIBOR is used in calculating the interest rate. The adoption of this guidance did not have a material impact on the Company's consolidated financial statements.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies are not expected to have a material impact on the Company's consolidated financial position, results of operations or cash flows.

Subsequent events:

The Company has evaluated subsequent events for potential recognition and disclosure through March 22, 2023, the date the financial statements were available to be issued.

Note 2. Property and Equipment

Property and equipment consist of the following at December 31:

	<u>2022</u>	<u>2021</u>
Furniture and fixtures	\$ 401,427	\$ 402,427
Computer equipment and software	382,311	450,433
Office equipment	93,017	102,829
Motor vehicles	33,416	184,613
Leasehold improvements	<u>117,355</u>	<u>117,355</u>
	1,027,526	1,257,657
Less: accumulated depreciation	<u>(775,870)</u>	<u>(815,465)</u>
	<u>\$ 251,656</u>	<u>\$ 442,192</u>

Depreciation expense totaled \$151,176 and \$173,005 for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021, respectively.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 3. Intangible Assets

Intangible assets consist of the following at December 31:

	<u>2022</u>	<u>2021</u>
Internally developed software	\$ 7,500,000	\$ 7,500,000
Trade name	1,200,000	1,200,000
Customer relationships	<u>39,200,000</u>	<u>39,200,000</u>
	47,900,000	47,900,000
Less: accumulated amortization	<u>(8,569,524)</u>	<u>(4,284,762)</u>
	<u>\$ 39,330,476</u>	<u>\$ 43,615,238</u>

Amortization expense totaled \$4,284,762 and \$7,093,620 for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021, respectively.

Future amortization expense is expected to be as follows:

2023	\$ 4,284,762
2024	4,284,762
2025	4,284,762
2026	2,784,762
2027	2,784,762
Thereafter	<u>20,906,666</u>
	<u>\$ 39,330,476</u>

Note 4. Software Development Costs

Software development costs consist of the following at December 31:

	<u>2022</u>	<u>2021</u>
Capitalized software development costs	\$ 9,713,243	\$ 7,015,555
Less: accumulated amortization	<u>(6,907,084)</u>	<u>(4,201,393)</u>
	<u>\$ 2,806,159</u>	<u>\$ 2,814,162</u>

Amortization expense related to software development costs was \$2,705,691 and \$2,367,007 for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021, respectively, and is recognized in amortization expense in the accompanying consolidated statements of operations. Amortization expense is estimated to be \$740,119 for 2023 and \$247,046 for 2024.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 5. Line of Credit

The Company has a line of credit with a financial institution that provides for borrowings up to \$3,000,000, reduced by any outstanding letters of credit. The line of credit is secured by substantially all of the Company's assets and bears interest at a variable rate as defined in the credit agreement plus an applicable margin between 2.25 and 4.75 percent. The facility also includes a 0.5 percent fee on the unused portion of the line of credit. As of December 31, 2022 and 2021, no amount was outstanding on the line of credit.

Note 6. Related Party Transactions

At December 31, 2022 and 2021, the Company has a lease agreement with a related party. See additional information in Note 8.

Additionally, the Company had a \$1,100,000 contingent liability at December 31, 2021 pertaining to an earn-out clause in the purchase agreement. This amount was recorded at fair value as the result of purchase accounting, based on estimates and judgements regarding expectations from the results of operations. The final amount was to be settled on April 15, 2022. As the earn-out requirements were not met as of April 15, 2022, the Company recognized the release of the liability as a gain in other income (expense) for the year ended December 31, 2022.

Note 7. Long-term Debt

Long-term debt consists of the following at December 31:

	<u>2022</u>	<u>2021</u>
Term loan with a financial institution dated as of January 8, 2021, collateralized by substantially all of the Company's assets, payable in quarterly principal and interest installments of \$57,541, plus interest at a variable rate of 5% plus the SOFR rate, maturing January 8, 2026.	\$ 22,615,260	\$ 22,698,720
Less: unamortized debt issuance costs	(272,244)	(362,992)
Less: current maturities	(287,706)	(229,280)
	<u>\$ 22,055,310</u>	<u>\$ 22,106,448</u>

Interest expense, including amortization of debt issuance costs, for the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021 totaled \$1,867,147 and \$1,615,216, respectively.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 7. Long-term Debt, Continued

Scheduled maturities of the notes payable are as follows for the years ending December 31:

2023	\$ 287,706
2024	230,165
2025	230,165
2026	<u>21,867,224</u>
	<u>\$ 22,615,260</u>

Note 8. Leases

As denoted in Note 1, the Company adopted ASC 842 in 2022 and reported under ASC 840 in 2021.

The Company leases its office space from a related party, which requires monthly payments of \$25,000 through January 1, 2026. The Company used a discount rate of 1.26% for computing the right-of-use asset and lease liability. Lease expense relating to this lease totaled \$300,000 for the year ended December 31, 2022.

Operating lease costs under ASC 842 for the year ended December 31, 2022 are \$300,000 and are included in general and administrative expenses. Operating lease costs under ASC 840 for the period from January 8, 2021 (commencement of operations) through December 31, 2021 are \$300,000 and are included in general and administrative expenses.

Future minimum lease payments and reconciliation to the consolidated balance sheet at December 31, 2022 are as follows:

2023	\$ 300,000
2024	300,000
2025	300,000
2026	<u>25,000</u>
Total undiscounted lease payments	925,000
Less: imputed interest	<u>(17,293)</u>
Total present value of lease liabilities	<u>\$ 907,707</u>

Supplemental information regarding operating leases includes:

Weighted average remaining lease term	3.08 years
Weighted average discount rate	1.26%
Cash paid for amounts included in the measurement of lease liabilities	\$300,000

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 9. Acquisition

Effective January 8, 2021 (the acquisition date), Softdocs Holdings LLC acquired 100% of the equity interests Softdocs, Inc. The acquisition took place pursuant to a membership interest purchase and rollover agreement for a purchase price of \$107,542,210. The Company completed an assessment of the allocation of the purchase price in accordance with generally accepted accounting principles. Based upon that assessment, the allocation of the purchase price at the acquisition date is as follows:

Assets acquired	
Cash	\$ 2,859,638
Accounts receivable	1,871,358
Inventories	10,457
Prepaid expenses and other current assets	344,985
Property and equipment	477,011
Goodwill	59,897,701
Intangible assets	47,900,000
Software development costs	<u>2,567,116</u>
Total assets acquired	<u>115,928,266</u>
Liabilities assumed	
Accounts payable	317,289
Accrued expenses and deferred revenue	<u>8,068,767</u>
Total liabilities assumed	<u>8,386,056</u>
Total net assets acquired	<u>\$ 107,542,210</u>

The allocation of the purchase price was based upon best estimates and assumptions and is subject to change during the one-year measurement period when finalized. The Company incurred approximately \$3,487,246 in acquisition related expenses that are included in other expenses in the accompanying consolidated statements of operations for the period from January 8, 2021 (commencement of operations) through December 31, 2021.

Note 10. Members' Equity

The Company has four different classes of units, consisting of Class A, Class B, Class C-1 and C-2 units.

Class A units have a distribution and liquidation preference over the Class B, C-1 and C-2 units. In addition, the Class A unitholders are entitled to a cumulative preferred return of 8 percent per annum based on the unreturned Class A capital plus the unpaid preferred return of such member.

As of December 31, 2022 and 2021, the Company has authorized and issued 90,150,000 Class A units.

Class B, C-1 and C-2 units (collectively, the "Employee Units") are incentive units that can be issued to employees, officers, and directors that provide services to the Company. Generally, the Class B units vest ratably over a period of five years. The Class C-1 units and C-2 units generally vest upon the consummation of a sale transaction as defined in the agreements. Upon termination of employment, any nonvested shares are forfeited by the employee. Any vested shares upon termination are subject to buyback provisions as defined in the equity incentive plan document. The Company has authorized 7,869,565 Class B units, 2,185,990 Class C-1 units and 2,285,354 Class C-2 units.

Softdocs Holdings LLC

Notes to Consolidated Financial Statements

For the year ended December 31, 2022 and for the period from January 8, 2021 (commencement of operations) through December 31, 2021

Note 10. Members' Equity, Continued

As of December 31, 2022, the Company had 4,968,324 Class B units, 1,380,092 Class C-1 units and 1,442,821 Class C-2 units outstanding.

As of December 31, 2021, the Company had 5,229,903 Class B units, 1,452,753 Class C-1 units and 1,518,784 Class C-2 units outstanding. During the year-ended December 31, 2022, 514,204 of Employee Units were forfeited due to an employee's termination.

The Class B, C-1 and C-2 units are considered to be liability based awards as the holder does not have an option to compel a repurchase of the units and awards are generally only settled in the event of a liquidation in cash payments. The value of the Employee Units to its holder would be determined upon the sale of the Company. Since this event is not considered probable as of December 31, 2022, and there have been no distributions that meet the prescribed criteria, the Company has not recognized any compensation expense associated with these awards.

As part of the acquisition of Softdocs, Inc., one of the Class A unitholders contributed \$350,000 of cash directly to Intermediate and received equity directly in Intermediate. Under the terms of the Intermediate LLC agreement, such equity entitles the Class A unitholder to receive the same amount of distributions from Intermediate, and at the same times, as such Class A unitholder would have received from the Company had such capital been invested directly in the Company at a rate of \$1.00 per unit, which is the equivalent rate per unit attributable to the existing Class A unitholders of the Company.

Note 11. Subsequent Events

On February 17, 2023, the Company entered into a sub-lease agreement to lease a portion of their office building (see Note 8) to a sub-tenant. The lease term is March 1, 2023 until December 31, 2025 and requires the sub-tenant to pay the Company \$9,000 per month for the first three months of the lease and \$10,000 per month thereafter. These amounts include \$2,000 to assist in operating costs of the building and is subject to increase in the event said costs substantially increase during the first year of the lease.

The Company has disclosed cash deposit concentrations in Note 1. In relation to current economic conditions and changes in the banking environment, management has monitored these concentrations through the date the financial statements were issued. At December 31, 2022, and March 22, 2023, the Company had \$2,727,342, and \$2,065,486, respectively, in deposits with a financial institution that failed subsequent to year end and is now under FDIC control. All deposits with the financial institution have been guaranteed by the FDIC, including any funds in excess of the standard FDIC \$250,000 deposit guarantee. No additional significant changes to any deposit concentrations have been identified. In addition to deposit concentrations disclosed in Note 1, the Company had debt of \$22,615,260 with a financial institution that failed subsequent to year end and is now under FDIC control.

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		and ending	
A Name of plan	B Three-digit plan number (PN) ►		
C Plan sponsor's name as shown on line 2a of Form 5500		D Employer Identification Number (EIN)	

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

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

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

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l		
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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)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(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)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name:

(2) EIN:

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			

	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			
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			
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			
e Was this plan covered by a fidelity bond?			
4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?			
4f			
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			
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			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)			
4i			
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			
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			
l Has the plan failed to provide any benefit when due under the plan?			
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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 _____.			

Attachment to 2022 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name SOFTDOCS SC, LLC 401(K) PLAN

EIN: 57-1072887

Plan Sponsor's Name SOFTDOCS SC, LLC

PN: 001

(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
	BlackRock Lifepath	BlackRock Lifepath Index 2040 K	0	79,721
	BlackRock Lifepath	BlackRock Lifepath Index 2030 K	0	2,511
	BlackRock Lifepath	BlackRock Lifepath Index 2050 K	0	227,820
	BlackRock Lifepath	BlackRock Lifepath Index Retire K	0	78,503
	Baird Aggregate	Baird Aggregate Bond Inst	0	13,892
	BlackRock High	BlackRock High Yield Bond K	0	222
	BlackRock Advantage	BlackRock Advantage International K	0	200,811

Attachment to 2022 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name SOFTDOCS SC, LLC 401(K) PLAN

EIN: 57-1072887

Plan Sponsor's Name SOFTDOCS SC, LLC

PN: 001

(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
	Delaware Emerging	Delaware Emerging Markets R6	0	3,026
	Federated Hermes	Federated Hermes Govt Obl PRM	0	45,514
	BlackRock Lifepath	BlackRock Lifepath Index 2055 K	0	6,240
	BlackRock LifePath	BlackRock LifePath Index 2065 K	0	945
	Pioneer Strategic	Pioneer Strategic Income K	0	71,304
	Vanguard	Vanguard Total Bond Market Index Adm	0	25,972
	Vanguard	Vanguard 500 Index Adm	0	1,252,497

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

Plan Name SOFTDOCS SC, LLC 401(K) PLAN

EIN: 57-1072887

Plan Sponsor's Name SOFTDOCS SC, LLC

PN: 001

(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	Vanguard Mid Cap Index Adm	0	62,331
	Vanguard	Vanguard Small-Cap Index Adm	0	40,914
	AB Large	AB Large Cap Growth I	0	733,920
	Cohen &	Cohen & Steers Real Estate Secs Inst	0	391
	Federated Hermes	Federated Hermes Mdt Sm Cap Cr IS	0	180,973
	Vanguard	Vanguard Equity Income Adm	0	185,077
	Vanguard	Vanguard Total Intl Stock Index Adm	0	4,394

Attachment to 2022 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name SOFTDOCS SC, LLC 401(K) PLAN

EIN: 57-1072887

Plan Sponsor's Name SOFTDOCS SC, LLC

PN: 001

(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	Vanguard Total Stock Market Index Adm	0	300,700
	GoalView Moderately	GoalView Moderately Aggressive Instl	0	345,675
	GoalView Aggressive	GoalView Aggressive Institutional	0	220
	Participants loan account	Various rates and maturities	0	13,049