

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

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 <u>ZOVIO, INC 401(K) PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
	1c Effective date of plan	<u>06/17/2004</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ZOVIO, INC</u> <u>1811 E NORTHROP BLVD</u> <u>CHANDLER, AZ 85286</u>	2b Employer Identification Number (EIN)	<u>59-3551629</u>
	2c Plan Sponsor's telephone number	<u>858-336-2438</u>
	2d Business code (see instructions)	<u>611000</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2023	KEVIN ROYAL
	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
	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 <input checked="" type="checkbox"/> 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 2149
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).	
6a(1) Total number of active participants at the beginning of the plan year	6a(1) 1265
6a(2) Total number of active participants at the end of the plan year	6a(2) 121
b Retired or separated participants receiving benefits	6b 41
c Other retired or separated participants entitled to future benefits.....	6c 1220
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 1382
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 4
f Total. Add lines 6d and 6e	6f 1386
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 1267
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 2
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D 3H	
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) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> 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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input checked="" type="checkbox"/> 1 A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**SCHEDULE A
(Form 5500)**

Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2022

This Form is Open to Public Inspection

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

A Name of plan ZOVIO, INC 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ZOVIO, INC	D Employer Identification Number (EIN) 59-3551629

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

1 Coverage Information:

(a) Name of insurance carrier
EMPOWER ANNUITY INSURANCE COMPANY OF AMERICA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
84-0467907	7692	95273-01	278	01/01/2022	12/31/2022

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

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

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

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

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

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

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

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

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

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

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

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

Part II	Investment and Annuity Contract Information	
Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.		
4	Current value of plan's interest under this contract in the general account at year end.....	4 2628310
5	Current value of plan's interest under this contract in separate accounts at year end.....	5 0
6 Contracts With Allocated Funds:		
a State the basis of premium rates ▶		
b	Premiums paid to carrier	6b
c	Premiums due but unpaid at the end of the year	6c
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d
e Type of contract: (1) <input type="checkbox"/> individual policies (2) <input type="checkbox"/> group deferred annuity (3) <input type="checkbox"/> other (specify) ▶		
f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ <input type="checkbox"/>		
7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
a Type of contract: (1) <input type="checkbox"/> deposit administration (2) <input type="checkbox"/> immediate participation guarantee (3) <input type="checkbox"/> guaranteed investment (4) <input checked="" type="checkbox"/> other ▶ GROUP ANNUITY CONTRACT		
b	Balance at the end of the previous year	7b 2287051
c	Additions: (1) Contributions deposited during the year	7c(1) 178629
	(2) Dividends and credits.....	7c(2) 0
	(3) Interest credited during the year.....	7c(3) 34798
	(4) Transferred from separate account.....	7c(4) 1166011
	(5) Other (specify below)	7c(5) 203984
▶ LOAN PAYMENTS		
	(6) Total additions.....	7c(6) 1583422
d	Total of balance and additions (add lines 7b and 7c(6))	7d 3870473
e Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1) 962626
	(2) Administration charge made by carrier.....	7e(2) 60395
	(3) Transferred to separate account.....	7e(3) 219142
	(4) Other (specify below)	7e(4)
▶		
	(5) Total deductions.....	7e(5) 1242163
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f 2628310

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

- 8** Benefit and contract type (check all applicable boxes)
- | | | | |
|--|--|---|--|
| a <input type="checkbox"/> Health (other than dental or vision) | b <input type="checkbox"/> Dental | c <input type="checkbox"/> Vision | d <input type="checkbox"/> Life insurance |
| e <input type="checkbox"/> Temporary disability (accident and sickness) | f <input type="checkbox"/> Long-term disability | g <input type="checkbox"/> Supplemental unemployment | h <input type="checkbox"/> Prescription drug |
| i <input type="checkbox"/> Stop loss (large deductible) | j <input type="checkbox"/> HMO contract | k <input type="checkbox"/> PPO contract | l <input type="checkbox"/> Indemnity contract |
| m <input type="checkbox"/> Other (specify) ▶ | | | |

9 Experience-rated contracts:

a Premiums: (1) Amount received		9a(1)		
(2) Increase (decrease) in amount due but unpaid		9a(2)		
(3) Increase (decrease) in unearned premium reserve.....		9a(3)		
(4) Earned ((1) + (2) - (3)).....			9a(4)	0
b Benefit charges (1) Claims paid.....		9b(1)		
(2) Increase (decrease) in claim reserves		9b(2)		
(3) Incurred claims (add (1) and (2)).....			9b(3)	0
(4) Claims charged			9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	9c(1)(A)			
(B) Administrative service or other fees	9c(1)(B)			
(C) Other specific acquisition costs.....	9c(1)(C)			
(D) Other expenses	9c(1)(D)			
(E) Taxes	9c(1)(E)			
(F) Charges for risks or other contingencies	9c(1)(F)			
(G) Other retention charges.....	9c(1)(G)			
(H) Total retention.....			9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.).....			9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....			9d(1)	
(2) Claim reserves			9d(2)	
(3) Other reserves			9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....			9e	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount			10b	
Specify nature of costs.				

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>ZOVIO, INC 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>ZOVIO, INC</u>	D Employer Identification Number (EIN) <u>59-3551629</u>	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

GREAT-WEST LIFE & ANNUITY INS. CO

84-0467907

(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?
50 15 64	NONE	57672	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

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

ADVISED ASSETS GROUP, LLC

84-1532243

(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?
26 50	NONE	23097	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

MMA SECURITIES LLC

22-3570392

(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?
16 53	NONE	20000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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)

PKF LLP

81-3391684

(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?
10 50	NONE	15210	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A Name of plan ZOVIO, INC 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ZOVIO, INC	D Employer Identification Number (EIN) 59-3551629

Part I	Asset and Liability Statement
---------------	--------------------------------------

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	65842	0
(2) Participant contributions.....	1b(2)	180068	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	0	0
(2) U.S. Government securities.....	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests.....	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants).....	1c(7)	0	0
(8) Participant loans.....	1c(8)	1066608	95611
(9) Value of interest in common/collective trusts.....	1c(9)	0	0
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	89944969	55541568
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	2287051	2628310
(15) Other.....	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation.....	1e	0	0
f Total assets (add all amounts in lines 1a through 1e).....	1f	93544538	58265489
Liabilities			
g Benefit claims payable.....	1g	0	0
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	93544538	58265489

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)	1173195	
(B) Participants.....	2a(1)(B)	3509699	
(C) Others (including rollovers).....	2a(1)(C)	44451	
(2) Noncash contributions.....	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		4727345
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	0	
(B) U.S. Government securities.....	2b(1)(B)	0	
(C) Corporate debt instruments.....	2b(1)(C)	0	
(D) Loans (other than to participants).....	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	39906	
(F) Other.....	2b(1)(F)	34798	
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		74704
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	
(B) Common stock.....	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	5548544	
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		
(3) Rents.....	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds.....	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)	0	
(B) Other.....	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-21503963
c Other income	2c		9025
d Total income. Add all income amounts in column (b) and enter total	2d		-11144345
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	23299396	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		23299396
f Corrective distributions (see instructions)	2f		254143
g Certain deemed distributions of participant loans (see instructions)	2g		465186
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	15210	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	43097	
(4) Other	2i(4)	57672	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		115979
j Total expenses. Add all expense amounts in column (b) and enter total	2j		24134704
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-35279049
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: **PKF SAN DIEGO, LLP**

(2) EIN: **81-3391684**

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?.....	4e	X		5000000
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		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.).....	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 0.

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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan <u>ZOVIO, INC 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>ZOVIO, INC</u>	D Employer Identification Number (EIN) <u>59-3551629</u>	

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	<u>0</u>
----------	----------

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): 84-1455663

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	<u> </u>
----------	----------

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	<u> </u>
b Enter the amount contributed by the employer to the plan for this plan year.....	6b	<u> </u>
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	<u> </u>

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

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: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> 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. <input type="checkbox"/> 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 _____

ZOVIO, INC. 401(k) PLAN

INDEPENDENT AUDITORS' REPORT
FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2022



Zovio, Inc. 401(k) Plan
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INDEPENDENT AUDITORS' REPORT

To the Benefits Committee and Plan Administrator of
the Zovio, Inc. 401(k) Plan

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

We have performed audits of the accompanying financial statements of Zovio, Inc. 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 (in liquidation) and December 31, 2021 (ongoing), and the related statement of changes in net assets available for benefits for the year ended December 31, 2022 (in liquidation), and the related notes to the financial statements.

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

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

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Zovio, Inc. 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Emphasis of a Matter

As described in Note 7 to the financial statements, management has elected to terminate the Plan, thus liquidation and termination of the Plan is imminent. As a result, the Plan has changed its basis of accounting from the going concern basis used in presenting the 2021 financial statements to the liquidation basis of accounting used in presenting the 2022 financial statements. Our opinion is not modified with respect to this matter.

PKF San Diego, LLP is a member of PKF Global, the network of member firms of PKF International Limited, and Allinial Global, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

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

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

Supplemental Schedule Required by ERISA

The supplemental schedule of Schedule H, Line 4(i) - Schedule of Assets (Held at Year End) as of December 31, 2022, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion—

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

San Diego, California
October 6, 2023

PKF San Diego, LLP
PKF San Diego, LLP

Zovio, Inc. 401(k) Plan
 STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
 December 31, 2022 and 2021

	<u>(In liquidation)</u> <u>2022</u>	<u>(Ongoing)</u> <u>2021</u>
ASSETS:		
Investments:		
Investments, at contract value	\$ 2,628,310	\$ 2,287,051
Investments, at fair value	<u>55,541,568</u>	<u>89,944,969</u>
Total investments	<u>58,169,878</u>	<u>92,232,020</u>
Receivables:		
Employer contributions	-	65,842
Participant contributions	-	180,068
Notes receivable from participants	<u>95,611</u>	<u>1,066,608</u>
Total receivables	<u>95,611</u>	<u>1,312,518</u>
Total assets	<u>58,265,489</u>	<u>93,544,538</u>
LIABILITIES:		
Distributions payable in Plan liquidation	58,265,489	-
Corrective distributions payable	<u>-</u>	<u>261,999</u>
Total liabilities	<u>58,265,489</u>	<u>261,999</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ -</u></u>	<u><u>\$ 93,282,539</u></u>

The accompanying notes are an integral part of these financial statements

Zovio, Inc. 401(k) Plan
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2022

	(In liquidation)
Additions to net assets attributed to:	
Contributions:	
Participant	\$ 3,509,699
Employer	1,173,195
Rollover	<u>44,451</u>
Total contributions	<u>4,727,345</u>
Investment income:	
Dividends and interest from investments	5,623,248
Other income	<u>9,025</u>
Total investment income	<u>5,632,273</u>
Total additions	<u>10,359,618</u>
Deductions from net assets attributed to:	
Benefits paid to participants	23,291,540
Expected benefits to be paid in Plan liquidation	58,265,489
Net depreciation in fair value of investments	21,503,963
Deemed distributions on defaulted loans	465,186
Administrative expenses	<u>115,979</u>
Total deductions	<u>103,642,157</u>
Net decrease	(93,282,539)
Net assets available for benefits:	
Beginning of year	<u>93,282,539</u>
End of year	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Zovio, Inc. 401(k) Plan
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - PLAN DESCRIPTION

Description of the Plan

The following description of the Zovio, Inc. 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan terminated effective December 1, 2022 and through the date the financial statements were available to be issued, all remaining Plan assets were in the process of being distributed.

The Plan was a defined contribution plan covering eligible employees of Zovio, Inc. and subsidiaries ("Zovio", "Employer", the "Plan Sponsor", or the "Company"), established June 17, 2004, and restated July 1, 2010, April 1, 2015, April 26, 2019, June 1, 2019, and December 16, 2019. The Plan was a retirement savings plan within the meaning of Internal Revenue Code ("IRC") Section 401(a) and contains a Cash or Deferred Arrangement as provided for by IRC Section 401(k). The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA") and the IRC.

The Plan was amended as necessary to reflect the participating employers.

In May 2022, TutorMe, LLC ceased operations and as a result, employees of TutorMe, LLC were terminated. The Plan was amended effective September 14, 2022 and as a result of the amendment, participants who were terminated on January 1, 2022 and thereafter were fully vested in their account balances.

Eligibility

Prior to the Plan termination, the Plan covered all employees of Zovio, Inc. who met the following eligibility requirements. Employees age 21 or older were eligible to participate in the Plan upon hiring. Ineligible employees generally included non-resident aliens, leased employees, those whose employment is covered by a collective bargaining agreement, and certain other classes of employees as specified in the Plan document.

Contributions

Participant contributions - Participants could elect to contribute up to 92% of their eligible compensation, as defined, up to limits imposed by the IRC. Participants were permitted to designate all or a portion of their contributions as Roth (after-tax) contributions. In addition, participants who were age 50 or older could have elected to defer additional amounts ("catch-up contributions") to the Plan up to the maximum allowed by the IRC.

Employer matching contributions - The Plan also included provisions for discretionary Employer matching contributions. During 2022, the Company made Employer matching contributions equal to 50% of participant contributions on the first 6% of eligible compensation, calculated each pay period.

Total discretionary Employer matching contributions for the year ended December 31, 2022 were \$1,173,195.

Zovio, Inc. 401(k) Plan
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - PLAN DESCRIPTION (continued)

Contributions (continued)

Rollover contributions - The Plan provided for rollover contributions, which represented contributions by participants from other tax-qualified retirement plans. The maximum amount of a participant's rollover contribution was not affected by the limits otherwise applicable to participant contributions.

Other Employer contributions - The Company could make discretionary nonelective contributions each plan year to eligible participants in the ratio that each eligible participant's compensation bears to the total compensation paid to all eligible participants. In addition, the Plan permitted the Company to make qualified nonelective contributions to non-highly compensated employees in order to satisfy certain nondiscrimination provisions of the IRC. For the year ended December 31, 2022, the Company has made neither of these types of contributions to the Plan.

Participant Accounts

Participant accounts were credited with the participant and Employer's contributions (if any), and allocations of Plan earnings or losses. Allocations were based on participant earnings or account balances, as defined. Individual participant accounts were charged for loan and distribution fees. The benefit to which a participant was entitled was the benefit that can be provided from the participant's vested account.

Participants directed the investment of all contributions into various investment options offered by the Plan.

Vesting

Participants were immediately vested in their contributions plus actual earnings thereon. The Company's contributions vested over a 4-year period, which was as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
<1	0%
1	25%
2	50%
3	75%
4	100%

Participants became fully vested upon termination for reason of retirement, death, or disability, or when the Plan was terminated. Prior to the date of the Plan was terminated, nonvested benefits were forfeited by participants upon termination for reasons other than normal retirement, death, disability. The Plan was amended in 2022 to immediately vest participants in the Company's contributions (see Note 1).

Zovio, Inc. 401(k) Plan
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - PLAN DESCRIPTION (continued)

Forfeitures

Forfeiture amounts were carried in the Key Guaranteed Portfolio Fund (see Note 5). The forfeiture account comprised amounts forfeited by participants and certain other amounts forwarded to the Plan by the Company. Such amounts were to be used to restore prior forfeitures, reduce future Employer contributions, or pay administrative expenses.

During 2022, \$5 and \$60,220 were used to reduce Employer contributions and pay administrative expenses, respectively. As of December 31, 2022 and 2021, the forfeited non-vested accounts totaled \$197,607 and \$85,858, respectively.

Corrective Distributions

As of December 31, 2021, contributions that exceeded the maximum allowable amounts totaled to \$261,999. These amounts were distributed during 2022. There were no contributions that exceeded the maximum allowable amounts as of December 31, 2022.

Administrative Expenses

The Company paid certain expenses incurred for the administration and operation of the Plan. Other administrative fees associated with distributions and loans were paid by the participants. For the year ended December 31, 2022, administrative expenses paid by the Plan totaled \$115,979.

Payment of Benefits

Upon disability, death, termination, retirement, or attaining age 59 ½, participants could elect to receive a distribution of their account (as defined) in lump sum, or defer distribution if the account exceeds \$5,000. However, if such a participant's vested account balance was less than \$5,000, but greater than \$1,000, the Plan could roll the balance into an individual retirement account with the trustee/custodian. Also, at its discretion, the Plan could elect to distribute vested account balances of less than \$1,000. Generally, initial distributions must begin the later of the April 1 of the calendar year following the year in which the participant attains the age of 70 ½ or retires.

In addition, in the event of hardship as defined by the IRC, participants could request withdrawals from their vested account balance.

Notes Receivable from Participants

Participants could borrow against their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$100,000 or 50% of their vested interests in their account balance. Participants could have only 1 loan outstanding at a time. Loans were required to be repaid within 5 years, unless they were for the purchase of a principal residence, in which case the maximum repayment period was 30 years. The loans were secured by up to half of the participant's vested account balance. The loans bore interest at the prime rate plus 1%. As of December 31, 2022 and 2021, the interest rates on outstanding notes receivable from participants ranged from 4.15% to 6.50%. Principal and interest were paid regularly through payroll deductions.

Zovio, Inc. 401(k) Plan
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - PLAN DESCRIPTION (continued)

Plan Termination

The Employer has elected to terminate the Plan subject to the provisions of ERISA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

As a result of the Plan termination, the 2022 financial statements have been prepared on the liquidation basis of accounting (“in liquidation”). Under the liquidation basis of accounting, all assets are expected to be distributed in a timely manner and the Plan accrues for all expected future distributions and income (loss). The results of the actual amounts distributed may differ from the accrued amounts due to investment appreciation (depreciation). The 2021 financial statements of the Plan have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires Plan management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants were measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income was recorded on the accrual basis. Related fees are charged directly to the borrowing participant’s account and are included in administrative expenses when incurred. As of December 31, 2022 and 2021, no allowance for credit losses has been recorded. If a participant did not make loan repayments and the Plan Administrator considered the participant loan to be in default, the loan balance was reduced, and the delinquent participant note receivable was recorded as a benefit payment based on the terms of the Plan document.

Valuation of Investments and Recognition of Income and Loss

The investments were stated at fair value, with the exception of the Group Annuity Contract which was stated at contract value (See Note 5). Fair value was the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820, *Fair Value Measurement* (“FASB ASC 820”), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The following describes the three levels of the fair value hierarchy under FASB ASC 820 as of December 31, 2022 and 2021:

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Valuation of Investments and Recognition of Income and Loss (continued)

Level 1 – inputs are unadjusted, quoted market prices, in active markets for identical assets or liabilities at the measurement date.

Level 2 – inputs are either directly or indirectly observable for the asset or liability through correlation with related market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3 – inputs are both unobservable and significant to the overall fair value measurement for the asset or liability at the measurement date. These inputs reflect the Plan management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

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

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, although the Plan Administrator believed its valuation methods were appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Plan presented in the statement of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation or depreciation on investments that were bought and sold, as well as held during the year. Purchases and sales of securities were recorded on trade-date basis. Interest income was accrued when earned. Dividends were recorded on the ex-dividend date.

Benefits Due to Terminated Participants

Funds due to participants that have terminated employment but had not yet been distributed were not presented as liabilities in the statements of net assets available for benefits. These were reflected in the statement of changes in net assets available for benefits when paid. When adopting the liquidation basis of accounting, the remaining assets of the Plan that are to be distributed to participants were accrued for. As of December 31, 2022, there were approximately \$58,300,000 in distributions payable related to terminated Plan participants.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Tax Status

The Plan had received its determination letter from the Internal Revenue Service dated March 31, 2014 indicating that the Plan, as then designed, was in compliance with the applicable requirements of the Code and therefore exempt from federal income taxes under Section 501(a) of the Code. Although the Plan had been amended since receiving the determination letter, the Plan Administrator and the Plan's management believed that the Plan was designed, and was being operated, in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believed that the Plan was qualified and the related trust was tax exempt as of the financial statement date. Therefore, no provision for income taxes was included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require the Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2022 and 2021, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan management believes it is no longer subject to income tax examinations for years prior to 2019.

NOTE 3 - INFORMATION CERTIFIED BY THE TRUSTEES AND CUSTODIAN

The Plan Administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such an election, the trustees, Empower Annuity Insurance Company of America and Empower Trust Company, LLC, have certified to the completeness and accuracy of all notes receivable and investment information disclosed in the accompanying statement of net assets available for benefits as of December 31, 2022, the statement of changes in net assets available for benefits for the year ended December 31, 2022, and the accompanying supplemental schedule of assets (held at end of year) as of December 31, 2022, including investments held at December 31, 2022, net realized and unrealized appreciation (depreciation) in fair value of mutual funds, dividends and interest from mutual funds and group annuity contract, and interest income on loans for the year ended December 31, 2022. Great-West Trust Company, LLC and Great West Life & Annuity Insurance Company, the trustees and custodians of the Plan, certified to the completeness and accuracy of all investments and notes receivable from participants in the accompanying statement of net assets available for benefits as of December 31, 2021.

NOTE 4 - FAIR VALUE MEASUREMENTS

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2022 and 2021:

Zovio, Inc. 401(k) Plan
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2022 and 2021

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

	December 31, 2022			
	Total	Level 1	Level 2	Level 3
Mutual funds	\$ 55,541,568	\$ 55,541,568	\$ -	\$ -
Total assets at fair value	<u>\$ 55,541,568</u>	<u>\$ 55,541,568</u>	<u>\$ -</u>	<u>\$ -</u>

	December 31, 2021			
	Total	Level 1	Level 2	Level 3
Mutual funds	\$ 89,944,969	\$ 89,944,969	\$ -	\$ -
Total assets at fair value	<u>\$ 89,944,969</u>	<u>\$ 89,944,969</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 5 - GROUP ANNUITY CONTRACT

The Plan had a group annuity contract with Empower Annuity Insurance Company of America, for the year ended December 31, 2022 and Great-West Life & Annuity Insurance Company, for the year ended December 31, 2021, that invested forfeiture amounts in the Key Guaranteed Portfolio Fund. Participants had the option to contribute to this fund as well. The Key Guaranteed Portfolio Fund was a general account product. The methodology for calculating the interest crediting rate was based on the earnings of the underlying assets in the entire medium-long term new portfolio compared to the minimum interest crediting rate, as stated in the contract, and prevailing market conditions. The interest crediting rate was reset quarterly. The account was credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract met the fully benefit-responsive investment contract criteria and therefore was reported at contract value. Contract value was the relevant measure for fully benefit-responsive investment contracts because this was the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value represented contributions made under each contract, plus earnings, less participant withdrawals, and administrative expenses.

Participants could have ordinarily directed the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that was guaranteed to the Plan.

There were no reserves against contract value for credit risk of the contract issuer or otherwise. The crediting interest was based on a formula agreed upon with the issuer but could not be less than 0%. Such interest rates were reviewed on a quarterly basis for resetting.

Certain events limited the ability of the Plan to transact at contract value with the issuer. Such events included the following:

- (a) Amendments to the Plan document (including complete or partial Plan termination or merger with another plan),
- (b) Changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions,

Zovio, Inc. 401(k) Plan
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 5 - GROUP ANNUITY CONTRACT (continued)

(c) Bankruptcy of the Plan sponsor or other Plan sponsor events that cause a significant withdrawal from the Plan or

(d) The failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA.

Effective December 1, 2022, the Plan had been terminated. This event triggered a limitation for the Plan's ability to transact at contract value with participants.

NOTE 6 - PARTY-IN-INTEREST

Certain Plan investments were managed by Empower Annuity Insurance Company of America and Empower Trust Company, LLC as of and for the year ended December 31, 2022, and Great-West Trust Company, LLC and Great-West Life & Annuity Insurance Company as of December 31, 2021. Empower Annuity Insurance Company of America and Empower Trust Company, LLC were the trustees of the Plan as of and for the year ended December 31, 2022, and Great-West Trust Company, LLC and Great-West Life & Annuity Insurance Company were the trustees and custodians of the Plan as of December 31, 2021; therefore, these transactions qualified as exempt party-in-interest transactions. The Company provided certain administrative services at no cost to the Plan. These transactions qualified as exempt party-in-interest transactions.

NOTE 7 - PLAN TERMINATION

The Company had the right to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts. Effective December 1, 2022, the Company terminated the Plan. Through the date the financial statements were available to be issued, the remaining assets held by the Plan were in the process of being distributed.

NOTE 8 - RISKS AND UNCERTAINTIES

The Plan invested in various investment securities. Investment securities were exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31:

Zovio, Inc. 401(k) Plan
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2022 and 2021

NOTE 9 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500 (continued)

	2022	2021
Net assets available for benefits per the financial statements	\$ -	\$ 93,282,539
Distributions payable in Plan liquidation	58,265,489	-
Corrective distributions payable	-	261,999
Net assets available for benefits per the Form 5500	\$ 58,265,489	\$ 93,544,538

The following is a reconciliation of the change in net assets available for benefits per the financial statements to the Form 5500 for the year ended December 31, 2022:

Change in net assets available for benefits per the financial statements	\$ (93,282,539)
Expected benefits to be paid in Plan liquidation	58,265,489
Change in corrective distributions payable	(261,999)
Change in net assets available for benefits per the Form 5500	\$ (35,279,049)

NOTE 10 - SUBSEQUENT EVENTS

Through the date the financial statements were available to be issued, the Plan had distributed approximately \$58,300,000 of the total assets at year end. The remaining balance of approximately \$3,000 is expected to be distributed by December 31, 2023.

Plan management has evaluated subsequent events, as defined by FASB ASC 855, *Subsequent Events*, through the date that the financial statements were available to be issued on October 6, 2023.

SUPPLEMENTAL SCHEDULE

Zovio, Inc. 401(k) Plan
SCHEDULE H, LINE 4(i) – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2022

Plan Sponsor: Zovio, Inc.
EIN: 59-3551629
PLAN #: 001
Form 5500 Schedule H, Line 4(i)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party		Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value
	John Hancock MultiManager 2040 Lifetime R6	Mutual Fund	**	\$ 7,649,685
	John Hancock MultiManager 2045 Lifetime R6	Mutual Fund	**	5,512,119
	Fidelity 500 Index	Mutual Fund	**	5,441,475
	JP Morgan Large Cap Growth R6	Mutual Fund	**	3,831,561
	John Hancock MultiManager 2035 Lifetime R6	Mutual Fund	**	3,512,246
	John Hancock MultiManager 2030 Lifetime R6	Mutual Fund	**	3,790,311
	JP Morgan Core Plus Bond R6	Mutual Fund	**	2,762,944
	American Funds EuroPacific Growth R6	Mutual Fund	**	1,960,887
	American Funds Fundamental Investor R6	Mutual Fund	**	2,064,233
	Vanguard Total International Stock Index Admiral	Mutual Fund	**	2,306,737
	Vanguard Mid Cap Index Admiral	Mutual Fund	**	1,967,595
	MassMutual Select Mid Cap Growth I	Mutual Fund	**	1,701,691
	John Hancock MultiManager 2050 Lifetime R6	Mutual Fund	**	1,817,907
	Vanguard Small Cap Index Admiral	Mutual Fund	**	1,793,649
	JP Morgan Equity Income R6	Mutual Fund	**	1,826,466
	John Hancock MultiManager 2020 Lifetime R6	Mutual Fund	**	1,430,097
	Franklin Small Cap Growth R6	Mutual Fund	**	1,119,023
	John Hancock MultiManager 2025 Lifetime R6	Mutual Fund	**	1,143,104
	Vanguard Small Cap Value Index Admiral	Mutual Fund	**	887,432
	TIAA-CREF Social Choice Equity Retirement	Mutual Fund	**	665,533
	John Hancock Disciplined Value Mid Cap I	Mutual Fund	**	639,288
	John Hancock MultiManager 2055 Lifetime R6	Mutual Fund	**	650,694
	John Hancock MultiManager 2010 Lifetime R6	Mutual Fund	**	469,738
	John Hancock MultiManager 2015 Lifetime R6	Mutual Fund	**	260,142
	John Hancock MultiManager 2060 Lifetime R6	Mutual Fund	**	337,011
*	Key Guaranteed Portfolio Fund	Group Annuity Contract	**	2,628,310
*	Notes receivable from participants	Interest rate 4.15% to 6.50%	-0-	95,611
	Total assets held for investment purposes			<u>\$ 58,265,489</u>

* Party-in-interest

** In accordance with Form 5500 instructions, cost information with respect to participant or beneficiary directed investments under an individual account plan may be omitted.

See Independent Auditors' Report

Zovio, Inc. 401(k) Plan
SCHEDULE H, LINE 4(i) – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2022

Plan Sponsor: Zovio, Inc.
EIN: 59-3551629
PLAN #: 001
Form 5500 Schedule H, Line 4(i)

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party		Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value
	John Hancock MultiManager 2040 Lifetime R6	Mutual Fund	**	\$ 7,649,685
	John Hancock MultiManager 2045 Lifetime R6	Mutual Fund	**	5,512,119
	Fidelity 500 Index	Mutual Fund	**	5,441,475
	JP Morgan Large Cap Growth R6	Mutual Fund	**	3,831,561
	John Hancock MultiManager 2035 Lifetime R6	Mutual Fund	**	3,512,246
	John Hancock MultiManager 2030 Lifetime R6	Mutual Fund	**	3,790,311
	JP Morgan Core Plus Bond R6	Mutual Fund	**	2,762,944
	American Funds EuroPacific Growth R6	Mutual Fund	**	1,960,887
	American Funds Fundamental Investor R6	Mutual Fund	**	2,064,233
	Vanguard Total International Stock Index Admiral	Mutual Fund	**	2,306,737
	Vanguard Mid Cap Index Admiral	Mutual Fund	**	1,967,595
	MassMutual Select Mid Cap Growth I	Mutual Fund	**	1,701,691
	John Hancock MultiManager 2050 Lifetime R6	Mutual Fund	**	1,817,907
	Vanguard Small Cap Index Admiral	Mutual Fund	**	1,793,649
	JP Morgan Equity Income R6	Mutual Fund	**	1,826,466
	John Hancock MultiManager 2020 Lifetime R6	Mutual Fund	**	1,430,097
	Franklin Small Cap Growth R6	Mutual Fund	**	1,119,023
	John Hancock MultiManager 2025 Lifetime R6	Mutual Fund	**	1,143,104
	Vanguard Small Cap Value Index Admiral	Mutual Fund	**	887,432
	TIAA-CREF Social Choice Equity Retirement	Mutual Fund	**	665,533
	John Hancock Disciplined Value Mid Cap I	Mutual Fund	**	639,288
	John Hancock MultiManager 2055 Lifetime R6	Mutual Fund	**	650,694
	John Hancock MultiManager 2010 Lifetime R6	Mutual Fund	**	469,738
	John Hancock MultiManager 2015 Lifetime R6	Mutual Fund	**	260,142
	John Hancock MultiManager 2060 Lifetime R6	Mutual Fund	**	337,011
*	Key Guaranteed Portfolio Fund	Group Annuity Contract	**	2,628,310
*	Notes receivable from participants	Interest rate 4.15% to 6.50%	-0-	95,611
	Total assets held for investment purposes			<u>\$ 58,265,489</u>

* Party-in-interest

** In accordance with Form 5500 instructions, cost information with respect to participant or beneficiary directed investments under an individual account plan may be omitted.

See Independent Auditors' Report