

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>CARDWORKS INC. 401(K) RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
1c Effective date of plan <u>04/01/1996</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>CARDWORKS, INC</u> <u>101 CROSSWAYS PARK WEST</u> <u>WOODBURY, NY 11797</u>	2b Employer Identification Number (EIN) <u>11-3604755</u>	2c Plan Sponsor's telephone number <u>516-576-0404</u>
	2d Business code (see instructions) <u>541990</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.	10/16/2023	MICHAEL C. VLASTO
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2023	CHRIS WYMBS
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 2093
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 1902
a(2) Total number of active participants at the end of the plan year		6a(2) 1943
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits.....		6c 281
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 2224
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 2224
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 2224
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 87
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 3D 3H 2T 2S		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ 1 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A Name of plan CARDWORKS INC. 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CARDWORKS, INC	D Employer Identification Number (EIN) 11-3604755

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

(a) Name of insurance carrier PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	074242	2224	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
0	0

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

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid
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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end.....	4	11394591
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	15769073

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

b	Balance at the end of the previous year	7b	9076562
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c	Additions: (1) Contributions deposited during the year	7c(1)	1661083	
	(2) Dividends and credits	7c(2)		
	(3) Interest credited during the year	7c(3)	163591	
	(4) Transferred from separate account	7c(4)	525889	
	(5) Other (specify below)	7c(5)	1512907	

▶ **LOAN REPAYMENTS TRANSFERS IN, FORFEITURE CREDITS MISCELLANEOUS IN**

(6) Total additions	7c(6)	3863470
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d	Total of balance and additions (add lines 7b and 7c(6))	7d	12940032
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	425010	
(2) Administration charge made by carrier	7e(2)	5086	
(3) Transferred to separate account	7e(3)	167530	
(4) Other (specify below)	7e(4)	947815	

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

(5) Total deductions	7e(5)	1545441
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f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	11394591
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.	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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan CARDWORKS INC. 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 CARDWORKS, INC	D Employer Identification Number (EIN) 11-3604755	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRUDENTIAL RETIREMENT INSURANCE AND
06-1050034

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

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

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	324730	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

MORGAN STANLEY GLOBAL BANKING OPERA

20-8764829

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	108138	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FRIEDMAN LLP

13-1610809

(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	NONE	27404	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
THE PRUDENTIAL INSURANCE COMPANY OF	15 60 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2022 TO 12/31/2022 PGIM JENN MID-CAP GRWTH Z	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
THE PRUDENTIAL INSURANCE COMPANY OF	15 60 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2022 TO 12/31/2022 PGIM JENN NTRL RSRCs A	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
THE PRUDENTIAL INSURANCE COMPANY OF	15 60 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2022 TO 12/31/2022 PGIM TOTAL RETURN BD A	

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
THE PRUDENTIAL INSURANCE COMPANY OF	15 60 64	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRUDENTIAL INVESTMENTS, LLC 22-3468527	22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2022 TO 12/31/2022 PGIM TOTAL RETURN BD Z	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan CARDWORKS INC. 401(K) RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 CARDWORKS, INC	D Employer Identification Number (EIN) 11-3604755	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: LCG/JP MORGAN INV MGMT		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-141	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14573188
a Name of MTIA, CCT, PSA, or 103-12 IE: PRU DAY ONE IFX TRGT BAL		
b Name of sponsor of entity listed in (a): PRUDENTIAL RETIREMENT INS.		
c EIN-PN 06-1050034-697	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1195885
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>CARDWORKS INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARDWORKS, INC</u>	D Employer Identification Number (EIN) <u>11-3604755</u>	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)	1815731	2110377
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	19574622	15769073
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	51247136	46973733
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	9076562	11394591
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	81714051	76247774

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	81714051	76247774
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	3071473	
(B) Participants	2a(1)(B)	8256429	
(C) Others (including rollovers)	2a(1)(C)	1094278	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		12422180
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	89186	
(F) Other	2b(1)(F)	163591	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		252777
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	795402	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		795402
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-4785709
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-9812142
c Other income	2c		79164
d Total income. Add all income amounts in column (b) and enter total	2d		-1048328
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3951873	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3951873
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		2379
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	27404	
(2) Contract administrator fees	2i(2)	324731	
(3) Investment advisory and management fees	2i(3)	108137	
(4) Other	2i(4)	3425	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		463697
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4417949
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-5466277
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: MARCUM LLP

(2) EIN: 11-1986323

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan CARDWORKS INC. 401(K) RETIREMENT PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 CARDWORKS, INC		D Employer Identification Number (EIN) 11-3604755
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 22-1211670		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:	
a	The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a
b	The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b
c	The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:	
a	The corresponding number for the plan year immediately preceding the current plan year.....	15a
b	The corresponding number for the second preceding plan year.....	15b
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:	
a	Enter the number of employers who withdrew during the preceding plan year	16a
b	If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐	

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

CARDWORKS, INC. 401(k) RETIREMENT PLAN

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

**AS OF DECEMBER 31, 2022 AND 2021 AND
FOR THE YEAR ENDED DECEMBER 31, 2022**

CARDWORKS, INC. 401(k) RETIREMENT PLAN

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator, Trustee and Participants
Cardworks, Inc. 401(k) Retirement Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2022 Financial Statements

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

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 2022 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 audit 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 a certification from a qualified institution as of and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the 2022 financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2022 Financial Statements section:

- The amounts and disclosures in the accompanying 2022 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 Financial Statements

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

Responsibilities of Management for the 2022 Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Cardworks, Inc. 401(k) Retirement Plan 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 Cardworks, Inc. 401(k) Retirement Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Cardworks, Inc. 401(k) Retirement Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the 2022 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 2022 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 2022 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the 2022 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 Cardworks, Inc. 401(k) Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cardworks, Inc. 401(k) Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 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 2022 financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

Other Matters

2022 Supplementary Information Required by ERISA

The supplemental schedule of Schedule H, Line 4i - schedule of assets (held at year end), as of December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements but are 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 GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

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).

Auditor's Report on the 2021 Financial Statements

The 2021 financial statements of Cardworks, Inc. 401(k) Retirement Plan were audited by Friedman LLP, whose practice was combined with Marcum LLP as of September 1, 2022. Friedman LLP performed an audit of the 2021 financial statements of Cardworks, Inc. 401(k) Retirement Plan. 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, the 2021 audit did not extend to any statements or information related to assets held for investment of Cardworks, Inc. 401(k) Retirement Plan that were certified by a qualified institution. The report dated August 29, 2022, indicated that (a) the amounts and disclosures in the 2021 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2021 financial statements 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). The report also indicated that the form and content of the 2021 supplemental schedule, other than the information in the 2021 supplemental schedule that agreed to or is derived from the certified information, was presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosures under ERISA; and the information in the 2021 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

Marcum LLP

New York, NY
October 16, 2023

CARDWORKS, INC. 401(k) RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2022 AND 2021

	2022	2021
Assets		
Investments		
Mutual funds and pooled separate accounts, at fair value	\$ 62,742,807	\$ 70,821,757
Guaranteed Income Fund, at contract value	<u>11,394,591</u>	<u>9,076,562</u>
	74,137,398	79,898,319
Receivables		
Notes receivable from participants	<u>2,110,377</u>	<u>1,815,731</u>
Total Assets	76,247,775	81,714,050
Liabilities	<u>--</u>	<u>--</u>
Net Assets Available for Benefits	<u><u>\$ 76,247,775</u></u>	<u><u>\$ 81,714,050</u></u>

The accompanying notes are an integral part of these financial statements.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2022

Additions

Additions to net assets attributed to

Investment income (loss)

Interest and dividends

\$ 958,993

Net depreciation in fair value of investments

(14,597,851)

Total Investment Income (Loss)

\$ (13,638,858)

Interest income on notes receivable from participants

89,186

Contributions

Employer

3,071,473

Participants

8,256,429

Rollovers

1,094,278

Total Contributions

12,422,180

Total Additions

(1,127,492)

Deductions

Benefits paid to participants

3,951,871

Deemed distributions to participants

2,379

Administrative expenses

384,533

Total Deductions

4,338,783

Net Decrease

(5,466,275)

Net Assets Available for Benefits

Beginning of Year

81,714,050

End of Year

\$ 76,247,775

The accompanying notes are an integral part of these financial statements.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN

The following description of CardWorks, Inc. 401(k) Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan Agreement, as amended, for a more complete description of the Plan’s provisions.

GENERAL

The Plan is a defined contribution plan covering all employees of CardWorks, Inc., CardWorks Servicing, LLC, Carson Smithfield, LLC, and Merrick Bank Corporation (collectively, the “Company”) who meet eligibility requirements and choose to participate. The Company serves as the Plan Sponsor. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Prudential Bank and Trust, FSB (“Prudential”) serves as the Plan’s trustee and recordkeeper. The Investment Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance and reports to the Plan’s Trustee.

CARES ACT

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which included several relief provisions to tax qualified plans and their participants that were put into operation by the Plan at that time. Formal adoption of such provisions of the CARES Act provisions is required to occur on or before December 31, 2025.

ELIGIBILITY

Employees are eligible to participate in the Plan on the first day of the month following the completion of 90 days of service with the Company and attainment of age 21.

CONTRIBUTIONS

At the time of eligibility, participants who have not completed a salary deferral agreement will automatically be enrolled in the Plan and contribute 4% of their compensation to the Plan until they elect an alternative amount to contribute or elect not to defer any compensation under the Plan. All participants are automatically enrolled in a deferral acceleration program, until they elect to opt-out of the program. Eligible employees may contribute a percentage of their annual compensation as determined by the participant, as defined by the Plan, and subject to Internal Revenue Code (“IRC”) limitations. Participants who have attained age of 50 before the end of the Plan year are eligible to make “catch-up” contributions. Discrimination tests are performed annually; any test discrepancies or excess contributions are refunded to participants. The Company may make matching contributions at its discretion.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

CONTRIBUTIONS (CONTINUED)

The Company matched 75% of the first 3% an employee contributes and 25% of the next 3% an employee contributes, to a maximum Company contribution of \$2,000 per year. In October the Company revised the Plan to match 100% of the first 4% an employee contributes and to a maximum Company contribution of \$5,400 per year.

Eligible employees may also elect to roll over to the Plan distributions from a former employer's qualified retirement plan. Roth contributions and in-Plan Roth rollovers are permitted.

INVESTMENT OPTIONS

Participants may direct the investment of their contributions to the Plan into various investments offered by the Plan. Investment options include mutual funds, Pooled Separate Accounts (the "PSA"), and the Guaranteed Income Fund (the "GIF").

The Pension Protection Act created the Qualified Default Investment Alternative ("QDIA") which provides employers a safe harbor from fiduciary risk when selecting an investment for a participant or beneficiary who fails to elect his or her own investment. The Plan has designated the Prudential GoalMaker asset allocation program as the QDIA.

The Plan offers to participants the GIF, a group annuity contract issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"). The GIF is an insurance company issued evergreen (no maturity date) benefit-responsive contract. Amounts contributed to the contract are deposited in PRIAC's general account.

PARTICIPANT ACCOUNTS

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions, the Company matching contributions, if applicable, and Plan earnings. Each participant's account is charged with withdrawals and plan losses and allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

VESTING

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in Company contributions plus earnings thereon is based on years of continuous service. A participant is 100% vested after five years of credited service.

FORFEITURES

Future employer contributions and Plan administrative expenses can be reduced by forfeitures. At December 31, 2022 and 2021, forfeited nonvested accounts held in the Plan investments on the statements of net assets available for benefits amounted to \$49,348 and \$39,365, respectively. The plan had \$174,440 forfeitures during 2022 while using \$165,613.

NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, subject to certain other restrictions. Participants are entitled to borrow from their account for a maximum of five years unless the proceeds are used to acquire a principal residence, in which case the term may exceed five years. The notes are secured by the balance in the participant's account. The interest rate on outstanding loans is 4.25% to 7.25% per annum. Principal and interest are paid ratably through payroll deductions.

PAYMENT OF BENEFITS

Participants will receive the full amount of their vested account balances in the event of normal retirement, termination of service, death or disability. Early withdrawals are permitted at the participant's request after the age of 59-1/2. Certain hardship withdrawals are also permitted. A participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount or in various annuity options. Minimum required distributions must begin at the age of 72.

BASIS OF ACCOUNTING

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES

The Plan Administrator uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets reported in statement of changes in net assets available for benefits and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments in mutual funds and PSA are stated at fair value as determined by quoted market prices based on the Net Asset Values (“NAV”) held by the Plan at year-end. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in the GIF are valued at contract value, which represents deposits made to the contract, plus earnings at guaranteed net crediting rates, less withdrawals.

The Plan presents, in the statement of changes in net assets available for benefits, the net depreciation in the fair value of mutual funds and PSA which includes both realized and unrealized gains and losses bought and sold as well as held during the year, based on the value of assets at the beginning of the year or at the time of purchase during the year. Purchases and sales of securities are recorded on a trade-date basis. Interest on the GIF is credited daily based on the annual effective credit rate. Dividends are allocated based upon participant account holdings on the record date and are recorded on the ex-dividend payment date.

NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants represent participant loans that are recorded at their unpaid principal and interest balances plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when earned. Related fees are recorded as administrative expenses and are expensed when incurred. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a deemed distribution is recorded. When the Plan receives a repayment as a result of a prior period deemed distribution, it is recorded against the deemed distributions in the current year as a recovery. No allowance for credit losses has been recorded as of December 31, 2022 or 2021.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ADMINISTRATIVE EXPENSES

Plan expenses not paid by the Company may be paid out of Plan assets provided that such payment is consistent with ERISA. Expenses paid by the company are not included in the financial statements. As part of a revenue sharing agreement with Prudential, the Plan earned \$79,164 of investment related revenue (based on a percentage of assets under management) for the year ended December 31, 2022. The Plan permits the Plan Sponsor to use these funds to offset certain third-party expenses. At December 31, 2022, administrative expenses of \$463,697 were reduced by the \$79,164 investment related revenue earned by the Plan.

MANAGEMENT FEES AND OPERATING EXPENSES

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees are reflected in the net depreciation in fair value of such investments.

RECLASSIFICATIONS

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. These reclassifications have no effect on previously reported changes in net assets available for benefits.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under GAAP are described as follows:

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

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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 relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in methodologies used at December 31, 2022.

MUTUAL FUNDS

Shares of publicly-traded mutual funds are valued at quoted market prices, which represent the NAV of shares held by the Plan at year-end. Investments in mutual funds are classified as Level 1 investment assets.

POOLED SEPARATE ACCOUNTS ("PSA")

Valued at the NAV of units held by the Plan at year-end. The NAV is used as a practical expedient to estimate fair value and is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables summarize investment assets measured at fair value:

December 31, 2022	Assets, at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 46,973,734</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 46,973,734
PSA (A)				<u>15,769,073</u>
Total Assets, at Fair Value				<u>\$ 62,742,807</u>

December 31, 2021	Assets, at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 51,247,135</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 51,247,135
PSA (A)				<u>19,574,622</u>
Total Assets, at Fair Value				<u>\$ 70,821,757</u>

(A) Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value of investments in the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

INVESTMENTS MEASURED USING THE NAV PER SHARE PRACTICAL EXPEDIENT

The following tables summarize investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2022 and 2021.

PSA	Fair Value	Unfunded Commitments	Redemptions Frequency (if currently eligible)	Redemption Notice Period
December 31, 2022	\$ 15,769,073	\$ --	Daily	None
December 31, 2021	\$ 19,574,622	\$ --	Daily	None

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 4 - GROUP ANNUITY CONTRACT - GIF

At December 31, 2022 and 2021, the Plan held an interest in the GIF, a benefit-responsive group annuity contract issued by PRIAC, which is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. Under the terms of the existing contract, the composite crediting rate, which is currently reviewed for reset on a semiannual basis, is a guaranteed minimum annualized interest rate of 1.5%. Changes in future interest crediting rates will not affect the amount reported as an adjustment from fair value to contract value on the statements of net assets available for benefits for the portion of net assets attributable to fully benefit-responsive investment contracts.

Certain events limit the ability of the fund to transact at contract value with the issuer (i.e., plan termination, mergers, layoffs, etc.) and also limit the ability to transact at contract value with participants. The Plan Administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring. Participants have reasonable access to their funds and transact at book value without limit (benefit events and transfers).

Equity wash provisions are allowed and do not disqualify a contract's fully benefit-responsiveness. Transfers to other Plan investment options are allowed.

The GIF represents approximately 15% and 11% of the net assets at December 31, 2022 and 2021, respectively.

NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments and notes receivable from participants held at December 31, 2022 and 2021, and net depreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended December 31, 2022, was obtained by management and agreed to or derived from information certified as complete and accurate by Prudential ("custodian of the Plan"). This information has not been audited by the Plan's independent auditors.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (CONTINUED)

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustee:

	December 31,	
	2022	2021
Statements of net assets available for benefits		
Investments		
Investments, at fair value	\$ 62,742,807	\$ 70,821,757
GIF, at contract value	11,394,591	9,076,562
Notes receivable from participants	2,110,377	1,815,731
	Year Ended	
	December 31,	
	2022	
Statement of changes in net assets available for benefits		
Investment income		
Net depreciation in investments at fair value	\$ (14,597,851)	
Interest and dividends	958,993	
Interest income on notes receivable from participants	89,186	

NOTE 6 - RISKS, UNCERTAINTIES AND CONCENTRATIONS

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. 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 the amounts reported in the statements of net assets available for benefits.

One investment represents 20% and 23% of Total Net Assets at December 31, 2022 and 2021, respectively.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 7 - TAX STATUS

The Company has adopted the Prudential Insurance Company of America (“Prudential Insurance”) prototype plan. The Internal Revenue Service has determined that the Prudential Insurance prototype plan, by letter dated December 4, 2020, is designed in accordance with applicable requirements of the IRC. Although the Plan has been amended since receiving the opinion letter, the Plan Administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audit for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2018.

NOTE 8 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in employer contributions. Any unallocated assets of the Plan will be allocated to participant accounts and distributed in such a manner as the Company may determine.

NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in shares of certain mutual funds managed by affiliates of Prudential, the designated Custodian of the Plan. The plan also allows participants to take loans from their individual participant accounts. These transactions qualify as party-in-interest transactions, which are exempt from the prohibited transactions rules. The Plan paid recordkeeping fees of approximately \$328,000 and \$344,000 to Prudential for the years ended December 31, 2022 and 2021, respectively. These fees have been recorded in administrative expenses.

Morgan Stanley Smith Barney LLC (“MSSB”) is the investment manager, advising on investment funds for the Plan. The Plan paid MSSB investment management fees of approximately \$108,000 and \$109,000 for the years ended December 31, 2022 and 2021, respectively.

Professional fees provided to the Plan are directly paid by the Plan. The Plan was charged by Marcum LLP approximately \$27,000 and charged by Friedman LLP \$26,000 for professional fees for the years ended December 31, 2022 and 2021.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS (CONTINUED)

Certain officers and employees of the Company (who may also be participants in the Plan) perform administrative services related to the operation, recordkeeping and financial reporting of the Plan. The Company pays the salaries of these individuals and also pays other administrative expenses on behalf of the Plan.

NOTE 10 - SUBSEQUENT EVENTS

The Plan evaluated all events and transactions that occurred after December 31, 2022 through October 16, 2023, the date these financial statements were available to be issued. Except as described below no events requiring recognition or disclosure in the financial statements were identified.

The Plan Sponsor acquired an additional company, Dataline Systems, LLC, ("Dataline") effective January 1, 2023. Dataline employees will become eligible to participate in the Plan in 2023.

The SECURE 2.0 Act of 2022 was signed into law on December 29, 2022. This legislation includes a vast array of provisional changes to retirement plans, becoming effective in 2023 and beyond. Plan management is evaluating the impact of the adoption and implementation of this legislation on the Plan.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)*	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost**	(e) Current value
Investments				
*	Prudential Guaranteed Income Fund (Contract Value)	Guaranteed Investment Contract	**	\$ 11,394,591
*	Prudential Day One Income Flex Target Balanced Fund	Pooled Separate Account	**	1,195,885
	Large Cap Growth/JP Morgan Investment Management Fund	Pooled Separate Account	**	14,573,188
	Parametric Commodity Strategy Fund Class I	Mutual Fund	**	292,733
	American Funds EuroPacific Growth Fund R6	Mutual Fund	**	10,957,203
	MFS Core Equity Fund R6	Mutual Fund	**	1,183,536
*	PGIM Total Return Bond Fund R6	Mutual Fund	**	7,526,773
	MFS Mid Cap Value Fund R6	Mutual Fund	**	6,597,191
	MFS Value Fund R6	Mutual Fund	**	7,497,631
	Columbia Contrarian Core Fund Institutional 3	Mutual Fund	**	1,612,052
	American Funds New World R6	Mutual Fund	**	311,969
	Fidelity U.S. Bond Index Fund	Mutual Fund	**	65,117
	Fidelity International Index Fund	Mutual Fund	**	191,369
	Fidelity 500 Index Fund	Mutual Fund	**	941,140
	Fidelity Mid Cap Index Fund	Mutual Fund	**	351,423
	Fidelity Small Cap Index Fund	Mutual Fund	**	1,144,694
	Allspring Special Small Cap Value Fund - Class R6	Mutual Fund	**	1,121,684
	AB Small Cap Growth Portfolio Class Z	Mutual Fund	**	1,061,322
	MFS Mid Cap Growth Fund Class R6	Mutual Fund	**	<u>6,117,897</u>
Total Investments				74,137,398
*	Notes Receivable from Participants	Notes receivable from participants are due in various amounts, ending on various dates from 2022 to 2034, with interest rates of 4.25% - 7.25%	-0-	<u>2,110,377</u>
				<u>\$ 76,247,775</u>

Plan EIN:11-3604755

Plan Number: 001

* Party-in-interest to the Plan.

** Omitted - All are participant-directed transactions under an individual account plan.

See independent auditors' report on supplementary information.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

**AS OF DECEMBER 31, 2022 AND 2021 AND
FOR THE YEAR ENDED DECEMBER 31, 2022**

CARDWORKS, INC. 401(k) RETIREMENT PLAN

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator, Trustee and Participants
Cardworks, Inc. 401(k) Retirement Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2022 Financial Statements

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

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 2022 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 audit 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 a certification from a qualified institution as of and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the 2022 financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2022 Financial Statements section:

- The amounts and disclosures in the accompanying 2022 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 Financial Statements

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

Responsibilities of Management for the 2022 Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Cardworks, Inc. 401(k) Retirement Plan 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 Cardworks, Inc. 401(k) Retirement Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Cardworks, Inc. 401(k) Retirement Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the 2022 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 2022 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 2022 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the 2022 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 Cardworks, Inc. 401(k) Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cardworks, Inc. 401(k) Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 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 2022 financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

Other Matters

2022 Supplementary Information Required by ERISA

The supplemental schedule of Schedule H, Line 4i - schedule of assets (held at year end), as of December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements but are 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 GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

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).

Auditor's Report on the 2021 Financial Statements

The 2021 financial statements of Cardworks, Inc. 401(k) Retirement Plan were audited by Friedman LLP, whose practice was combined with Marcum LLP as of September 1, 2022. Friedman LLP performed an audit of the 2021 financial statements of Cardworks, Inc. 401(k) Retirement Plan. 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, the 2021 audit did not extend to any statements or information related to assets held for investment of Cardworks, Inc. 401(k) Retirement Plan that were certified by a qualified institution. The report dated August 29, 2022, indicated that (a) the amounts and disclosures in the 2021 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2021 financial statements 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). The report also indicated that the form and content of the 2021 supplemental schedule, other than the information in the 2021 supplemental schedule that agreed to or is derived from the certified information, was presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosures under ERISA; and the information in the 2021 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

Marcum LLP

New York, NY
October 16, 2023

CARDWORKS, INC. 401(k) RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2022 AND 2021

	2022	2021
Assets		
Investments		
Mutual funds and pooled separate accounts, at fair value	\$ 62,742,807	\$ 70,821,757
Guaranteed Income Fund, at contract value	<u>11,394,591</u>	<u>9,076,562</u>
	74,137,398	79,898,319
Receivables		
Notes receivable from participants	<u>2,110,377</u>	<u>1,815,731</u>
Total Assets	76,247,775	81,714,050
Liabilities	<u>--</u>	<u>--</u>
Net Assets Available for Benefits	<u><u>\$ 76,247,775</u></u>	<u><u>\$ 81,714,050</u></u>

The accompanying notes are an integral part of these financial statements.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2022

Additions

Additions to net assets attributed to

Investment income (loss)

Interest and dividends

\$ 958,993

Net depreciation in fair value of investments

(14,597,851)

Total Investment Income (Loss)

\$ (13,638,858)

Interest income on notes receivable from participants

89,186

Contributions

Employer

3,071,473

Participants

8,256,429

Rollovers

1,094,278

Total Contributions

12,422,180

Total Additions

(1,127,492)

Deductions

Benefits paid to participants

3,951,871

Deemed distributions to participants

2,379

Administrative expenses

384,533

Total Deductions

4,338,783

Net Decrease

(5,466,275)

Net Assets Available for Benefits

Beginning of Year

81,714,050

End of Year

\$ 76,247,775

The accompanying notes are an integral part of these financial statements.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN

The following description of CardWorks, Inc. 401(k) Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan Agreement, as amended, for a more complete description of the Plan’s provisions.

GENERAL

The Plan is a defined contribution plan covering all employees of CardWorks, Inc., CardWorks Servicing, LLC, Carson Smithfield, LLC, and Merrick Bank Corporation (collectively, the “Company”) who meet eligibility requirements and choose to participate. The Company serves as the Plan Sponsor. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Prudential Bank and Trust, FSB (“Prudential”) serves as the Plan’s trustee and recordkeeper. The Investment Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance and reports to the Plan’s Trustee.

CARES ACT

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which included several relief provisions to tax qualified plans and their participants that were put into operation by the Plan at that time. Formal adoption of such provisions of the CARES Act provisions is required to occur on or before December 31, 2025.

ELIGIBILITY

Employees are eligible to participate in the Plan on the first day of the month following the completion of 90 days of service with the Company and attainment of age 21.

CONTRIBUTIONS

At the time of eligibility, participants who have not completed a salary deferral agreement will automatically be enrolled in the Plan and contribute 4% of their compensation to the Plan until they elect an alternative amount to contribute or elect not to defer any compensation under the Plan. All participants are automatically enrolled in a deferral acceleration program, until they elect to opt-out of the program. Eligible employees may contribute a percentage of their annual compensation as determined by the participant, as defined by the Plan, and subject to Internal Revenue Code (“IRC”) limitations. Participants who have attained age of 50 before the end of the Plan year are eligible to make “catch-up” contributions. Discrimination tests are performed annually; any test discrepancies or excess contributions are refunded to participants. The Company may make matching contributions at its discretion.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

CONTRIBUTIONS (CONTINUED)

The Company matched 75% of the first 3% an employee contributes and 25% of the next 3% an employee contributes, to a maximum Company contribution of \$2,000 per year. In October the Company revised the Plan to match 100% of the first 4% an employee contributes and to a maximum Company contribution of \$5,400 per year.

Eligible employees may also elect to roll over to the Plan distributions from a former employer's qualified retirement plan. Roth contributions and in-Plan Roth rollovers are permitted.

INVESTMENT OPTIONS

Participants may direct the investment of their contributions to the Plan into various investments offered by the Plan. Investment options include mutual funds, Pooled Separate Accounts (the "PSA"), and the Guaranteed Income Fund (the "GIF").

The Pension Protection Act created the Qualified Default Investment Alternative ("QDIA") which provides employers a safe harbor from fiduciary risk when selecting an investment for a participant or beneficiary who fails to elect his or her own investment. The Plan has designated the Prudential GoalMaker asset allocation program as the QDIA.

The Plan offers to participants the GIF, a group annuity contract issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"). The GIF is an insurance company issued evergreen (no maturity date) benefit-responsive contract. Amounts contributed to the contract are deposited in PRIAC's general account.

PARTICIPANT ACCOUNTS

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions, the Company matching contributions, if applicable, and Plan earnings. Each participant's account is charged with withdrawals and plan losses and allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

VESTING

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in Company contributions plus earnings thereon is based on years of continuous service. A participant is 100% vested after five years of credited service.

FORFEITURES

Future employer contributions and Plan administrative expenses can be reduced by forfeitures. At December 31, 2022 and 2021, forfeited nonvested accounts held in the Plan investments on the statements of net assets available for benefits amounted to \$49,348 and \$39,365, respectively. The plan had \$174,440 forfeitures during 2022 while using \$165,613.

NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, subject to certain other restrictions. Participants are entitled to borrow from their account for a maximum of five years unless the proceeds are used to acquire a principal residence, in which case the term may exceed five years. The notes are secured by the balance in the participant's account. The interest rate on outstanding loans is 4.25% to 7.25% per annum. Principal and interest are paid ratably through payroll deductions.

PAYMENT OF BENEFITS

Participants will receive the full amount of their vested account balances in the event of normal retirement, termination of service, death or disability. Early withdrawals are permitted at the participant's request after the age of 59-1/2. Certain hardship withdrawals are also permitted. A participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount or in various annuity options. Minimum required distributions must begin at the age of 72.

BASIS OF ACCOUNTING

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES

The Plan Administrator uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets reported in statement of changes in net assets available for benefits and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments in mutual funds and PSA are stated at fair value as determined by quoted market prices based on the Net Asset Values (“NAV”) held by the Plan at year-end. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in the GIF are valued at contract value, which represents deposits made to the contract, plus earnings at guaranteed net crediting rates, less withdrawals.

The Plan presents, in the statement of changes in net assets available for benefits, the net depreciation in the fair value of mutual funds and PSA which includes both realized and unrealized gains and losses bought and sold as well as held during the year, based on the value of assets at the beginning of the year or at the time of purchase during the year. Purchases and sales of securities are recorded on a trade-date basis. Interest on the GIF is credited daily based on the annual effective credit rate. Dividends are allocated based upon participant account holdings on the record date and are recorded on the ex-dividend payment date.

NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants represent participant loans that are recorded at their unpaid principal and interest balances plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when earned. Related fees are recorded as administrative expenses and are expensed when incurred. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a deemed distribution is recorded. When the Plan receives a repayment as a result of a prior period deemed distribution, it is recorded against the deemed distributions in the current year as a recovery. No allowance for credit losses has been recorded as of December 31, 2022 or 2021.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ADMINISTRATIVE EXPENSES

Plan expenses not paid by the Company may be paid out of Plan assets provided that such payment is consistent with ERISA. Expenses paid by the company are not included in the financial statements. As part of a revenue sharing agreement with Prudential, the Plan earned \$79,164 of investment related revenue (based on a percentage of assets under management) for the year ended December 31, 2022. The Plan permits the Plan Sponsor to use these funds to offset certain third-party expenses. At December 31, 2022, administrative expenses of \$463,697 were reduced by the \$79,164 investment related revenue earned by the Plan.

MANAGEMENT FEES AND OPERATING EXPENSES

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees are reflected in the net depreciation in fair value of such investments.

RECLASSIFICATIONS

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. These reclassifications have no effect on previously reported changes in net assets available for benefits.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under GAAP are described as follows:

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

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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 relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in methodologies used at December 31, 2022.

MUTUAL FUNDS

Shares of publicly-traded mutual funds are valued at quoted market prices, which represent the NAV of shares held by the Plan at year-end. Investments in mutual funds are classified as Level 1 investment assets.

POOLED SEPARATE ACCOUNTS ("PSA")

Valued at the NAV of units held by the Plan at year-end. The NAV is used as a practical expedient to estimate fair value and is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables summarize investment assets measured at fair value:

December 31, 2022	Assets, at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 46,973,734</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 46,973,734
PSA (A)				<u>15,769,073</u>
Total Assets, at Fair Value				<u>\$ 62,742,807</u>

December 31, 2021	Assets, at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 51,247,135</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 51,247,135
PSA (A)				<u>19,574,622</u>
Total Assets, at Fair Value				<u>\$ 70,821,757</u>

(A) Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value of investments in the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

INVESTMENTS MEASURED USING THE NAV PER SHARE PRACTICAL EXPEDIENT

The following tables summarize investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2022 and 2021.

PSA	Fair Value	Unfunded Commitments	Redemptions Frequency (if currently eligible)	Redemption Notice Period
December 31, 2022	\$ 15,769,073	\$ --	Daily	None
December 31, 2021	\$ 19,574,622	\$ --	Daily	None

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 4 - GROUP ANNUITY CONTRACT - GIF

At December 31, 2022 and 2021, the Plan held an interest in the GIF, a benefit-responsive group annuity contract issued by PRIAC, which is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. Under the terms of the existing contract, the composite crediting rate, which is currently reviewed for reset on a semiannual basis, is a guaranteed minimum annualized interest rate of 1.5%. Changes in future interest crediting rates will not affect the amount reported as an adjustment from fair value to contract value on the statements of net assets available for benefits for the portion of net assets attributable to fully benefit-responsive investment contracts.

Certain events limit the ability of the fund to transact at contract value with the issuer (i.e., plan termination, mergers, layoffs, etc.) and also limit the ability to transact at contract value with participants. The Plan Administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring. Participants have reasonable access to their funds and transact at book value without limit (benefit events and transfers).

Equity wash provisions are allowed and do not disqualify a contract's fully benefit-responsiveness. Transfers to other Plan investment options are allowed.

The GIF represents approximately 15% and 11% of the net assets at December 31, 2022 and 2021, respectively.

NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments and notes receivable from participants held at December 31, 2022 and 2021, and net depreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended December 31, 2022, was obtained by management and agreed to or derived from information certified as complete and accurate by Prudential ("custodian of the Plan"). This information has not been audited by the Plan's independent auditors.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (CONTINUED)

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustee:

	December 31,	
	2022	2021
Statements of net assets available for benefits		
Investments		
Investments, at fair value	\$ 62,742,807	\$ 70,821,757
GIF, at contract value	11,394,591	9,076,562
Notes receivable from participants	2,110,377	1,815,731
	Year Ended	
	December 31,	
	2022	
Statement of changes in net assets available for benefits		
Investment income		
Net depreciation in investments at fair value		\$ (14,597,851)
Interest and dividends		958,993
Interest income on notes receivable from participants		89,186

NOTE 6 - RISKS, UNCERTAINTIES AND CONCENTRATIONS

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. 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 the amounts reported in the statements of net assets available for benefits.

One investment represents 20% and 23% of Total Net Assets at December 31, 2022 and 2021, respectively.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 7 - TAX STATUS

The Company has adopted the Prudential Insurance Company of America (“Prudential Insurance”) prototype plan. The Internal Revenue Service has determined that the Prudential Insurance prototype plan, by letter dated December 4, 2020, is designed in accordance with applicable requirements of the IRC. Although the Plan has been amended since receiving the opinion letter, the Plan Administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audit for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2018.

NOTE 8 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in employer contributions. Any unallocated assets of the Plan will be allocated to participant accounts and distributed in such a manner as the Company may determine.

NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in shares of certain mutual funds managed by affiliates of Prudential, the designated Custodian of the Plan. The plan also allows participants to take loans from their individual participant accounts. These transactions qualify as party-in-interest transactions, which are exempt from the prohibited transactions rules. The Plan paid recordkeeping fees of approximately \$328,000 and \$344,000 to Prudential for the years ended December 31, 2022 and 2021, respectively. These fees have been recorded in administrative expenses.

Morgan Stanley Smith Barney LLC (“MSSB”) is the investment manager, advising on investment funds for the Plan. The Plan paid MSSB investment management fees of approximately \$108,000 and \$109,000 for the years ended December 31, 2022 and 2021, respectively.

Professional fees provided to the Plan are directly paid by the Plan. The Plan was charged by Marcum LLP approximately \$27,000 and charged by Friedman LLP \$26,000 for professional fees for the years ended December 31, 2022 and 2021.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS (CONTINUED)

Certain officers and employees of the Company (who may also be participants in the Plan) perform administrative services related to the operation, recordkeeping and financial reporting of the Plan. The Company pays the salaries of these individuals and also pays other administrative expenses on behalf of the Plan.

NOTE 10 - SUBSEQUENT EVENTS

The Plan evaluated all events and transactions that occurred after December 31, 2022 through October 16, 2023, the date these financial statements were available to be issued. Except as described below no events requiring recognition or disclosure in the financial statements were identified.

The Plan Sponsor acquired an additional company, Dataline Systems, LLC, ("Dataline") effective January 1, 2023. Dataline employees will become eligible to participate in the Plan in 2023.

The SECURE 2.0 Act of 2022 was signed into law on December 29, 2022. This legislation includes a vast array of provisional changes to retirement plans, becoming effective in 2023 and beyond. Plan management is evaluating the impact of the adoption and implementation of this legislation on the Plan.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)*	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost**	(e) Current value
Investments				
*	Prudential Guaranteed Income Fund (Contract Value)	Guaranteed Investment Contract	**	\$ 11,394,591
*	Prudential Day One Income Flex Target Balanced Fund	Pooled Separate Account	**	1,195,885
	Large Cap Growth/JP Morgan Investment Management Fund	Pooled Separate Account	**	14,573,188
	Parametric Commodity Strategy Fund Class I	Mutual Fund	**	292,733
	American Funds EuroPacific Growth Fund R6	Mutual Fund	**	10,957,203
	MFS Core Equity Fund R6	Mutual Fund	**	1,183,536
*	PGIM Total Return Bond Fund R6	Mutual Fund	**	7,526,773
	MFS Mid Cap Value Fund R6	Mutual Fund	**	6,597,191
	MFS Value Fund R6	Mutual Fund	**	7,497,631
	Columbia Contrarian Core Fund Institutional 3	Mutual Fund	**	1,612,052
	American Funds New World R6	Mutual Fund	**	311,969
	Fidelity U.S. Bond Index Fund	Mutual Fund	**	65,117
	Fidelity International Index Fund	Mutual Fund	**	191,369
	Fidelity 500 Index Fund	Mutual Fund	**	941,140
	Fidelity Mid Cap Index Fund	Mutual Fund	**	351,423
	Fidelity Small Cap Index Fund	Mutual Fund	**	1,144,694
	Allspring Special Small Cap Value Fund - Class R6	Mutual Fund	**	1,121,684
	AB Small Cap Growth Portfolio Class Z	Mutual Fund	**	1,061,322
	MFS Mid Cap Growth Fund Class R6	Mutual Fund	**	<u>6,117,897</u>
Total Investments				74,137,398
*	Notes Receivable from Participants	Notes receivable from participants are due in various amounts, ending on various dates from 2022 to 2034, with interest rates of 4.25% - 7.25%	-0-	<u>2,110,377</u>
				<u>\$ 76,247,775</u>

Plan EIN:11-3604755

Plan Number: 001

* Party-in-interest to the Plan.

** Omitted - All are participant-directed transactions under an individual account plan.

See independent auditors' report on supplementary information.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

**FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION**

**AS OF DECEMBER 31, 2022 AND 2021 AND
FOR THE YEAR ENDED DECEMBER 31, 2022**

CARDWORKS, INC. 401(k) RETIREMENT PLAN

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator, Trustee and Participants
Cardworks, Inc. 401(k) Retirement Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2022 Financial Statements

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

Management, having determined it is permissible in the circumstances, has elected to have the audits of the 2022 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 audit 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 a certification from a qualified institution as of and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the 2022 financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the 2022 Financial Statements section:

- The amounts and disclosures in the accompanying 2022 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2022 Financial Statements

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

Responsibilities of Management for the 2022 Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Cardworks, Inc. 401(k) Retirement Plan 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 Cardworks, Inc. 401(k) Retirement Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Cardworks, Inc. 401(k) Retirement Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the 2022 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 2022 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 2022 financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the 2022 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 Cardworks, Inc. 401(k) Retirement Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cardworks, Inc. 401(k) Retirement Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 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 2022 financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

Other Matters

2022 Supplementary Information Required by ERISA

The supplemental schedule of Schedule H, Line 4i - schedule of assets (held at year end), as of December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements but are 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 GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

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).

Auditor's Report on the 2021 Financial Statements

The 2021 financial statements of Cardworks, Inc. 401(k) Retirement Plan were audited by Friedman LLP, whose practice was combined with Marcum LLP as of September 1, 2022. Friedman LLP performed an audit of the 2021 financial statements of Cardworks, Inc. 401(k) Retirement Plan. 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, the 2021 audit did not extend to any statements or information related to assets held for investment of Cardworks, Inc. 401(k) Retirement Plan that were certified by a qualified institution. The report dated August 29, 2022, indicated that (a) the amounts and disclosures in the 2021 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2021 financial statements 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). The report also indicated that the form and content of the 2021 supplemental schedule, other than the information in the 2021 supplemental schedule that agreed to or is derived from the certified information, was presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosures under ERISA; and the information in the 2021 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 determines meets the requirements of ERISA Section 103(a)(3)(C).

Marcum LLP

New York, NY
October 16, 2023

CARDWORKS, INC. 401(k) RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2022 AND 2021

	2022	2021
Assets		
Investments		
Mutual funds and pooled separate accounts, at fair value	\$ 62,742,807	\$ 70,821,757
Guaranteed Income Fund, at contract value	<u>11,394,591</u>	<u>9,076,562</u>
	74,137,398	79,898,319
Receivables		
Notes receivable from participants	<u>2,110,377</u>	<u>1,815,731</u>
Total Assets	76,247,775	81,714,050
Liabilities	<u>--</u>	<u>--</u>
Net Assets Available for Benefits	<u><u>\$ 76,247,775</u></u>	<u><u>\$ 81,714,050</u></u>

The accompanying notes are an integral part of these financial statements.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2022

Additions

Additions to net assets attributed to

Investment income (loss)

Interest and dividends

\$ 958,993

Net depreciation in fair value of investments

(14,597,851)

Total Investment Income (Loss)

\$ (13,638,858)

Interest income on notes receivable from participants

89,186

Contributions

Employer

3,071,473

Participants

8,256,429

Rollovers

1,094,278

Total Contributions

12,422,180

Total Additions

(1,127,492)

Deductions

Benefits paid to participants

3,951,871

Deemed distributions to participants

2,379

Administrative expenses

384,533

Total Deductions

4,338,783

Net Decrease

(5,466,275)

Net Assets Available for Benefits

Beginning of Year

81,714,050

End of Year

\$ 76,247,775

The accompanying notes are an integral part of these financial statements.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN

The following description of CardWorks, Inc. 401(k) Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan Agreement, as amended, for a more complete description of the Plan’s provisions.

GENERAL

The Plan is a defined contribution plan covering all employees of CardWorks, Inc., CardWorks Servicing, LLC, Carson Smithfield, LLC, and Merrick Bank Corporation (collectively, the “Company”) who meet eligibility requirements and choose to participate. The Company serves as the Plan Sponsor. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). Prudential Bank and Trust, FSB (“Prudential”) serves as the Plan’s trustee and recordkeeper. The Investment Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance and reports to the Plan’s Trustee.

CARES ACT

On March 27, 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which included several relief provisions to tax qualified plans and their participants that were put into operation by the Plan at that time. Formal adoption of such provisions of the CARES Act provisions is required to occur on or before December 31, 2025.

ELIGIBILITY

Employees are eligible to participate in the Plan on the first day of the month following the completion of 90 days of service with the Company and attainment of age 21.

CONTRIBUTIONS

At the time of eligibility, participants who have not completed a salary deferral agreement will automatically be enrolled in the Plan and contribute 4% of their compensation to the Plan until they elect an alternative amount to contribute or elect not to defer any compensation under the Plan. All participants are automatically enrolled in a deferral acceleration program, until they elect to opt-out of the program. Eligible employees may contribute a percentage of their annual compensation as determined by the participant, as defined by the Plan, and subject to Internal Revenue Code (“IRC”) limitations. Participants who have attained age of 50 before the end of the Plan year are eligible to make “catch-up” contributions. Discrimination tests are performed annually; any test discrepancies or excess contributions are refunded to participants. The Company may make matching contributions at its discretion.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

CONTRIBUTIONS (CONTINUED)

The Company matched 75% of the first 3% an employee contributes and 25% of the next 3% an employee contributes, to a maximum Company contribution of \$2,000 per year. In October the Company revised the Plan to match 100% of the first 4% an employee contributes and to a maximum Company contribution of \$5,400 per year.

Eligible employees may also elect to roll over to the Plan distributions from a former employer's qualified retirement plan. Roth contributions and in-Plan Roth rollovers are permitted.

INVESTMENT OPTIONS

Participants may direct the investment of their contributions to the Plan into various investments offered by the Plan. Investment options include mutual funds, Pooled Separate Accounts (the "PSA"), and the Guaranteed Income Fund (the "GIF").

The Pension Protection Act created the Qualified Default Investment Alternative ("QDIA") which provides employers a safe harbor from fiduciary risk when selecting an investment for a participant or beneficiary who fails to elect his or her own investment. The Plan has designated the Prudential GoalMaker asset allocation program as the QDIA.

The Plan offers to participants the GIF, a group annuity contract issued by Prudential Retirement Insurance and Annuity Company ("PRIAC"). The GIF is an insurance company issued evergreen (no maturity date) benefit-responsive contract. Amounts contributed to the contract are deposited in PRIAC's general account.

PARTICIPANT ACCOUNTS

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions, the Company matching contributions, if applicable, and Plan earnings. Each participant's account is charged with withdrawals and plan losses and allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 1 - DESCRIPTION OF PLAN (CONTINUED)

VESTING

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in Company contributions plus earnings thereon is based on years of continuous service. A participant is 100% vested after five years of credited service.

FORFEITURES

Future employer contributions and Plan administrative expenses can be reduced by forfeitures. At December 31, 2022 and 2021, forfeited nonvested accounts held in the Plan investments on the statements of net assets available for benefits amounted to \$49,348 and \$39,365, respectively. The plan had \$174,440 forfeitures during 2022 while using \$165,613.

NOTES RECEIVABLE FROM PARTICIPANTS

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance, subject to certain other restrictions. Participants are entitled to borrow from their account for a maximum of five years unless the proceeds are used to acquire a principal residence, in which case the term may exceed five years. The notes are secured by the balance in the participant's account. The interest rate on outstanding loans is 4.25% to 7.25% per annum. Principal and interest are paid ratably through payroll deductions.

PAYMENT OF BENEFITS

Participants will receive the full amount of their vested account balances in the event of normal retirement, termination of service, death or disability. Early withdrawals are permitted at the participant's request after the age of 59-1/2. Certain hardship withdrawals are also permitted. A participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount or in various annuity options. Minimum required distributions must begin at the age of 72.

BASIS OF ACCOUNTING

The financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

USE OF ESTIMATES

The Plan Administrator uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets reported in statement of changes in net assets available for benefits and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION

Investments in mutual funds and PSA are stated at fair value as determined by quoted market prices based on the Net Asset Values (“NAV”) held by the Plan at year-end. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in the GIF are valued at contract value, which represents deposits made to the contract, plus earnings at guaranteed net crediting rates, less withdrawals.

The Plan presents, in the statement of changes in net assets available for benefits, the net depreciation in the fair value of mutual funds and PSA which includes both realized and unrealized gains and losses bought and sold as well as held during the year, based on the value of assets at the beginning of the year or at the time of purchase during the year. Purchases and sales of securities are recorded on a trade-date basis. Interest on the GIF is credited daily based on the annual effective credit rate. Dividends are allocated based upon participant account holdings on the record date and are recorded on the ex-dividend payment date.

NOTES RECEIVABLE FROM PARTICIPANTS

Notes receivable from participants represent participant loans that are recorded at their unpaid principal and interest balances plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when earned. Related fees are recorded as administrative expenses and are expensed when incurred. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a deemed distribution is recorded. When the Plan receives a repayment as a result of a prior period deemed distribution, it is recorded against the deemed distributions in the current year as a recovery. No allowance for credit losses has been recorded as of December 31, 2022 or 2021.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ADMINISTRATIVE EXPENSES

Plan expenses not paid by the Company may be paid out of Plan assets provided that such payment is consistent with ERISA. Expenses paid by the company are not included in the financial statements. As part of a revenue sharing agreement with Prudential, the Plan earned \$79,164 of investment related revenue (based on a percentage of assets under management) for the year ended December 31, 2022. The Plan permits the Plan Sponsor to use these funds to offset certain third-party expenses. At December 31, 2022, administrative expenses of \$463,697 were reduced by the \$79,164 investment related revenue earned by the Plan.

MANAGEMENT FEES AND OPERATING EXPENSES

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees are reflected in the net depreciation in fair value of such investments.

RECLASSIFICATIONS

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. These reclassifications have no effect on previously reported changes in net assets available for benefits.

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under GAAP are described as follows:

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

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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 relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for the investments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy. There have been no changes in methodologies used at December 31, 2022.

MUTUAL FUNDS

Shares of publicly-traded mutual funds are valued at quoted market prices, which represent the NAV of shares held by the Plan at year-end. Investments in mutual funds are classified as Level 1 investment assets.

POOLED SEPARATE ACCOUNTS ("PSA")

Valued at the NAV of units held by the Plan at year-end. The NAV is used as a practical expedient to estimate fair value and is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 3 - FAIR VALUE MEASUREMENTS (CONTINUED)

The following tables summarize investment assets measured at fair value:

December 31, 2022	Assets, at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 46,973,734</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 46,973,734
PSA (A)				<u>15,769,073</u>
Total Assets, at Fair Value				<u>\$ 62,742,807</u>

December 31, 2021	Assets, at Fair Value			
	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 51,247,135</u>	<u>\$ --</u>	<u>\$ --</u>	\$ 51,247,135
PSA (A)				<u>19,574,622</u>
Total Assets, at Fair Value				<u>\$ 70,821,757</u>

(A) Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value of investments in the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

INVESTMENTS MEASURED USING THE NAV PER SHARE PRACTICAL EXPEDIENT

The following tables summarize investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2022 and 2021.

PSA	Fair Value	Unfunded Commitments	Redemptions Frequency (if currently eligible)	Redemption Notice Period
December 31, 2022	\$ 15,769,073	\$ --	Daily	None
December 31, 2021	\$ 19,574,622	\$ --	Daily	None

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 4 - GROUP ANNUITY CONTRACT - GIF

At December 31, 2022 and 2021, the Plan held an interest in the GIF, a benefit-responsive group annuity contract issued by PRIAC, which is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. Under the terms of the existing contract, the composite crediting rate, which is currently reviewed for reset on a semiannual basis, is a guaranteed minimum annualized interest rate of 1.5%. Changes in future interest crediting rates will not affect the amount reported as an adjustment from fair value to contract value on the statements of net assets available for benefits for the portion of net assets attributable to fully benefit-responsive investment contracts.

Certain events limit the ability of the fund to transact at contract value with the issuer (i.e., plan termination, mergers, layoffs, etc.) and also limit the ability to transact at contract value with participants. The Plan Administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring. Participants have reasonable access to their funds and transact at book value without limit (benefit events and transfers).

Equity wash provisions are allowed and do not disqualify a contract's fully benefit-responsiveness. Transfers to other Plan investment options are allowed.

The GIF represents approximately 15% and 11% of the net assets at December 31, 2022 and 2021, respectively.

NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments and notes receivable from participants held at December 31, 2022 and 2021, and net depreciation in fair value of investments, interest and dividends, and interest income on notes receivable from participants for the year ended December 31, 2022, was obtained by management and agreed to or derived from information certified as complete and accurate by Prudential ("custodian of the Plan"). This information has not been audited by the Plan's independent auditors.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 5 - INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE (CONTINUED)

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the trustee:

	December 31,	
	2022	2021
Statements of net assets available for benefits		
Investments		
Investments, at fair value	\$ 62,742,807	\$ 70,821,757
GIF, at contract value	11,394,591	9,076,562
Notes receivable from participants	2,110,377	1,815,731
	Year Ended	
	December 31,	
	2022	
Statement of changes in net assets available for benefits		
Investment income		
Net depreciation in investments at fair value		\$ (14,597,851)
Interest and dividends		958,993
Interest income on notes receivable from participants		89,186

NOTE 6 - RISKS, UNCERTAINTIES AND CONCENTRATIONS

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. 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 the amounts reported in the statements of net assets available for benefits.

One investment represents 20% and 23% of Total Net Assets at December 31, 2022 and 2021, respectively.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 7 - TAX STATUS

The Company has adopted the Prudential Insurance Company of America (“Prudential Insurance”) prototype plan. The Internal Revenue Service has determined that the Prudential Insurance prototype plan, by letter dated December 4, 2020, is designed in accordance with applicable requirements of the IRC. Although the Plan has been amended since receiving the opinion letter, the Plan Administrator believes that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audit for any tax periods in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2018.

NOTE 8 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in employer contributions. Any unallocated assets of the Plan will be allocated to participant accounts and distributed in such a manner as the Company may determine.

NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

The Plan invests in shares of certain mutual funds managed by affiliates of Prudential, the designated Custodian of the Plan. The plan also allows participants to take loans from their individual participant accounts. These transactions qualify as party-in-interest transactions, which are exempt from the prohibited transactions rules. The Plan paid recordkeeping fees of approximately \$328,000 and \$344,000 to Prudential for the years ended December 31, 2022 and 2021, respectively. These fees have been recorded in administrative expenses.

Morgan Stanley Smith Barney LLC (“MSSB”) is the investment manager, advising on investment funds for the Plan. The Plan paid MSSB investment management fees of approximately \$108,000 and \$109,000 for the years ended December 31, 2022 and 2021, respectively.

Professional fees provided to the Plan are directly paid by the Plan. The Plan was charged by Marcum LLP approximately \$27,000 and charged by Friedman LLP \$26,000 for professional fees for the years ended December 31, 2022 and 2021.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

NOTE 9 - RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS (CONTINUED)

Certain officers and employees of the Company (who may also be participants in the Plan) perform administrative services related to the operation, recordkeeping and financial reporting of the Plan. The Company pays the salaries of these individuals and also pays other administrative expenses on behalf of the Plan.

NOTE 10 - SUBSEQUENT EVENTS

The Plan evaluated all events and transactions that occurred after December 31, 2022 through October 16, 2023, the date these financial statements were available to be issued. Except as described below no events requiring recognition or disclosure in the financial statements were identified.

The Plan Sponsor acquired an additional company, Dataline Systems, LLC, ("Dataline") effective January 1, 2023. Dataline employees will become eligible to participate in the Plan in 2023.

The SECURE 2.0 Act of 2022 was signed into law on December 29, 2022. This legislation includes a vast array of provisional changes to retirement plans, becoming effective in 2023 and beyond. Plan management is evaluating the impact of the adoption and implementation of this legislation on the Plan.

CARDWORKS, INC. 401(k) RETIREMENT PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2022

(a)*	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost**	(e) Current value
Investments				
*	Prudential Guaranteed Income Fund (Contract Value)	Guaranteed Investment Contract	**	\$ 11,394,591
*	Prudential Day One Income Flex Target Balanced Fund	Pooled Separate Account	**	1,195,885
	Large Cap Growth/JP Morgan Investment Management Fund	Pooled Separate Account	**	14,573,188
	Parametric Commodity Strategy Fund Class I	Mutual Fund	**	292,733
	American Funds EuroPacific Growth Fund R6	Mutual Fund	**	10,957,203
	MFS Core Equity Fund R6	Mutual Fund	**	1,183,536
*	PGIM Total Return Bond Fund R6	Mutual Fund	**	7,526,773
	MFS Mid Cap Value Fund R6	Mutual Fund	**	6,597,191
	MFS Value Fund R6	Mutual Fund	**	7,497,631
	Columbia Contrarian Core Fund Institutional 3	Mutual Fund	**	1,612,052
	American Funds New World R6	Mutual Fund	**	311,969
	Fidelity U.S. Bond Index Fund	Mutual Fund	**	65,117
	Fidelity International Index Fund	Mutual Fund	**	191,369
	Fidelity 500 Index Fund	Mutual Fund	**	941,140
	Fidelity Mid Cap Index Fund	Mutual Fund	**	351,423
	Fidelity Small Cap Index Fund	Mutual Fund	**	1,144,694
	Allspring Special Small Cap Value Fund - Class R6	Mutual Fund	**	1,121,684
	AB Small Cap Growth Portfolio Class Z	Mutual Fund	**	1,061,322
	MFS Mid Cap Growth Fund Class R6	Mutual Fund	**	<u>6,117,897</u>
Total Investments				74,137,398
*	Notes Receivable from Participants	Notes receivable from participants are due in various amounts, ending on various dates from 2022 to 2034, with interest rates of 4.25% - 7.25%	-0-	<u>2,110,377</u>
				<u>\$ 76,247,775</u>

Plan EIN:11-3604755

Plan Number: 001

* Party-in-interest to the Plan.

** Omitted - All are participant-directed transactions under an individual account plan.

See independent auditors' report on supplementary information.