

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A This return/report is for:	☐ a multiemployer plan ☒ a single-employer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ 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 SPRING CARE, INC. 401(K) PLAN	<table border="1"> <tr> <td>1b Three-digit plan number (PN) ▶</td> <td>001</td> </tr> <tr> <td>1c Effective date of plan 01/07/2018</td> <td></td> </tr> <tr> <td>2b Employer Identification Number (EIN) 81-2832914</td> <td></td> </tr> <tr> <td>2c Plan Sponsor's telephone number 201-783-5480</td> <td></td> </tr> <tr> <td>2d Business code (see instructions) 519100</td> <td></td> </tr> </table>	1b Three-digit plan number (PN) ▶	001	1c Effective date of plan 01/07/2018		2b Employer Identification Number (EIN) 81-2832914		2c Plan Sponsor's telephone number 201-783-5480		2d Business code (see instructions) 519100	
1b Three-digit plan number (PN) ▶	001										
1c Effective date of plan 01/07/2018											
2b Employer Identification Number (EIN) 81-2832914											
2c Plan Sponsor's telephone number 201-783-5480											
2d Business code (see instructions) 519100											
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) SPRING CARE, INC. 251 PARK AVENUE SOUTH FLOOR 6 NEW YORK, NY 10010											

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	CHRISTINE RIMER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☐ Same as Plan Sponsor GUIDELINE, INC. 1412 CHAPIN AVENUE BURLINGAME, CA 94010	3b Administrator's EIN 47-4474775 3c Administrator's telephone number 888-228-3491
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	5 260
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	227 533 0 132 665 0 665 629 0
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 2S 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SPRING CARE, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 SPRING CARE, INC.	D Employer Identification Number (EIN) 81-2832914	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>SPRING CARE, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SPRING CARE, INC.</u>	D Employer Identification Number (EIN) <u>81-2832914</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 Total noninterest-bearing cash.....	(a) Beginning of Year (b) End of Year 1a 81041 55477
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) 1 971
(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) 37 51109
(9) Value of interest in common/collective trusts.....	1c(9)
(10) Value of interest in pooled separate accounts	1c(10)
(11) Value of interest in master trust investment accounts.....	1c(11)
(12) Value of interest in 103-12 investment entities	1c(12)
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13) 2405938 6598415
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)
(15) Other	1c(15)

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	2487017	6705972

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	2487017	6705972
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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)	891553	
(B) Participants	2a(1)(B)	2958557	
(C) Others (including rollovers)	2a(1)(C)	1423431	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		5273541
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)	1554	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1554
(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)	117082	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		117082
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-789412
c Other income	2c		-1189
d Total income. Add all income amounts in column (b) and enter total	2d		4601576
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	360199	
(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)		360199
f Corrective distributions (see instructions)	2f		17700
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	4	
(3) Investment advisory and management fees	2i(3)	4718	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4722
j Total expenses. Add all expense amounts in column (b) and enter total	2j		382621
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		4218955
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: FRANK, RIMERMAN + CO. LLP

(2) EIN: 94-1341042

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		50217

	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	0
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	0
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?		X	
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?		X	
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	0
4l		X	0
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
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 SPRING CARE, INC. 401(K) PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 SPRING CARE, INC.		D Employer Identification Number (EIN) 81-2832914
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): 04-3581074		
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
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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 _____



**Spring Care, Inc. 401(k) Plan
Financial Statements and
Supplemental Schedules
with
Independent Auditors' Report
December 31, 2022 and 2021 (compiled)**

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Plan Administrator
Spring Care, Inc. 401(k) Plan
New York, New York

INDEPENDENT AUDITORS' REPORT



Certified
Public
Accountants

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

We have performed an audit of the financial statements of the Spring Care, Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the 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 financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. 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 the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2022 and for the year then ended, stating the certified investment information, as described in Note 3 to the 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 Financial Statements* section:

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

Basis for Opinion

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 the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP.

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

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

Other Matter—Supplemental Schedules Required by ERISA

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

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

In our opinion:

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

Report on Compiled Financial Statement

Plan management is responsible for the accompanying statement of net assets available for benefits as of December 31, 2021 in accordance with GAAP. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statement.

Frank, Rimmerman + Co. CPAs LLP

San Jose, California
October 16, 2023

Spring Care, Inc. 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31, <u>2022</u>	<u>2021</u> (compiled)
Assets		
Investments, at fair value:		
Mutual funds	\$ 6,598,415	\$ 2,405,938
Money market fund	<u>971</u>	<u>1</u>
Total investments	6,599,386	2,405,939
Contributions receivable:		
Participant	145,505	120,703
Employer	<u>47,923</u>	<u>-</u>
Total receivables	193,428	120,703
Notes receivable from participant	51,109	37
Non-interest bearing cash	<u>55,477</u>	<u>81,041</u>
Total assets	6,899,400	2,607,720
Liability for Corrective Distributions	<u>-</u>	<u>17,171</u>
Net Assets Available for Benefits	<u>\$ 6,899,400</u>	<u>\$ 2,590,549</u>

See Notes to Financial Statements

Spring Care, Inc. 401(k) Plan
Statement of Changes in Net Assets Available for Benefits

Additions to Net Assets

Investment income (loss):

Net depreciation in fair value of investments \$ (790,601)

Interest and dividends 117,082

Net investment loss (673,519)

Interest on notes receivable from participants 1,554

Net loss (671,965)

Contributions:

Participant 2,983,359

Participant rollover 1,423,431

Employer 939,476

Total contributions 5,346,266

Total net additions 4,674,301

Deductions from Net Assets

Benefits paid to participants 360,728

Account maintenance fees 4,722

Total deductions 365,450

Net Increase 4,308,851

Net Assets Available for Benefits

December 31, 2021 (compiled) 2,590,549

December 31, 2022 \$ 6,899,400

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

1. Description of the Plan

Spring Care, Inc. (the Company) established the Spring Care, Inc. 401(k) Plan (the Plan), effective January 7, 2018, to provide benefits and tax-deferred savings opportunities to eligible Company employees. The following description of the Plan, as amended and restated effective January 1, 2022, provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General:

The Plan is a defined contribution plan under Sections 401(k) and related provisions of the Internal Revenue Code (the Code) and applicable state laws. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Company is the Plan sponsor and the Plan administrator. A Company employee has been designated as the Plan trustee. The Plan is administered by Company employees who are responsible for selecting investment options offered under the Plan and monitoring investment performance. Benefit Trust Company (Benefit Trust) serves as the Plan's investment custodian and Guideline, Inc. (Guideline) serves as the Plan's third-party administrator and record keeper. Benefit Trust holds, invests, and reinvests Plan assets in the interest and direction of the participants and their beneficiaries.

Eligible Participants:

Eligible employees, as defined by the Plan agreement, age 21 or older, may participate in the Plan three months after their date of hire.

Contributions:

Participants are permitted to make voluntary salary deferral contributions up to 100% of their annual compensation, as defined in the Plan agreement. Participants who have reached the age of 50 may also elect to withhold additional catch-up contributions under the Code. Participants may also contribute amounts representing distributions from other qualified defined contribution or defined benefit plans (rollovers), subject to Code regulations.

The Plan provides for automatic enrollment on the date participants become eligible for the Plan. The automatic pre-tax salary deferral contribution is 1% of their eligible compensation, as defined by the Plan agreement, unless participants request a different amount to be contributed or formally decline participation. Participants may adjust the deferral rate or discontinue contributions at any time.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

1. Description of the Plan (continued)

Contributions: (continued)

The Company may make discretionary matching and non-elective contributions, at the discretion of the Company's Board of Directors. In 2022, the Company made discretionary matching contributions equal to 100% of each participant's contribution up to 2% of eligible compensation. The Company's matching contributions were \$939,476, of which \$47,923 was receivable as of December 31, 2022. The Company has not made any non-elective contributions to the Plan through December 31, 2022.

Contributions are subject to certain limitations under the Code.

Participant Accounts:

Participant accounts are credited with participant contributions, Company matching contributions, Company non-elective contributions (if any), rollovers and an allocation of Plan net earnings or losses. Allocations are based on participant earnings or account balances, in accordance with Plan agreement. The benefit to which participants are entitled is the benefit that can be provided from the participant account balances.

Participants may elect to invest their accounts in a variety of participant-directed investment options offered by the Plan that are designed to provide the participants with a wide range of investment options. Participants may authorize transfers among investment options at any time.

Vesting:

Participants are fully (100%) vested in their account balances.

Notes Receivable from Participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan agreement.

Participants may borrow up to one-half of their account balance, a minimum of \$1,000 and not to exceed \$50,000, for a period not to exceed five years, except for notes used to purchase a primary residence for which terms of up to thirty years are permitted. Participants may only have one note outstanding at a time. Participant notes are evidenced by a written note, secured by the balance in the participant's account, and bear interest at the prime rate, as published in The Wall Street Journal, plus 1%. The interest rates on notes outstanding as of December 31, 2022 range from 4.25% to 6.50%. Repayment of principal and interest is generally made through payroll deductions.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

1. Description of the Plan (continued)

Liability for Corrective Distributions:

The liability for corrective distributions represents contributions made by participants that must be refunded in order for the Plan to be in compliance with applicable non-discrimination tests. The December 31, 2021 liability of \$17,171 was refunded in 2022.

Payment of Benefits:

Upon termination of employment, participants may elect to receive a lump sum amount equal to the value of their account balance, or in partial payments. Distributions will be paid as soon as administratively feasible and may be paid in cash payments or rolled into qualified retirement plans or individual retirement accounts, as elected by the participants, subject to certain stipulations as defined by the Plan agreement. Benefits are recorded when paid.

Plan Expenses:

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. These fees are charged directly against the fund's investment performance and, thus, are not separately disclosed in the financial statements. Certain account maintenance and note fees are charged to the Plan and allocated to participant accounts. All other administrative expenses related to the Plan are paid by the Company and are not reflected in the Plan's financial statements.

Risks and Uncertainties:

Participants may invest their account balances in a variety of investment options offered by the Plan. Investments are exposed to various risks, such as interest rate, market fluctuation and credit risks. Due to the level of risk associated with certain investment options offered by the Plan, it is at least reasonably possible changes in risk in the near term could materially affect participant account balances and the amounts reported in the statement of net assets available for benefits.

Plan Termination:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions and to terminate the Plan, at any time, subject to the provisions of ERISA. In the event of Plan termination, participants would remain fully vested in their accounts and distributions would be made to participants as described in the Plan agreement.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies

Basis of Accounting:

The Plan's financial statements are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investments:

Investments consist of mutual funds and a money market fund. These funds are reported at fair value, which is the net asset value (NAV) of shares held by the Plan at year end, as quoted in active markets. It is not probable the funds will be sold at amounts that differ materially from the NAV of shares held.

Fair Value Measurement:

The Plan uses a three-level hierarchy for fair value measurement based on the nature of inputs used in the valuation of an asset or liability as of the measurement date. The three-level hierarchy prioritizes within the measurement of fair value, the use of market-based information over entity-specific information. Fair value focuses on an exit price and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risk associated with those instruments.

The three-level hierarchy for fair value measurement is defined as follows:

Level I: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level II: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level III: Inputs to the valuation methodology, which are significant to the fair value measurement, are unobservable.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Plan investments are classified as Level I within the fair value hierarchy as of December 31, 2022 and 2021.

Income Recognition:

Purchases and sales of investments are recorded on a trade date basis. Interest income is recorded on the accrual method of accounting. Dividends are recorded on the ex-dividend date. Net depreciation includes gains and losses on the Plan's investments bought, sold or held during the year.

3. Information Prepared and Certified by Benefit Trust

Benefit Trust, as the Plan's investment custodian, has certified the fair value of the Plan's assets and net loss that were used in the preparation of the financial statements and supplemental schedules. The following table summarizes the certified information as of and for the year ended December 31, 2022:

Investments, at fair value	\$ 6,599,386
Notes receivable from participants	51,109
Non-interest bearing cash	<u>55,477</u>
Total certified assets	<u>\$ 6,705,972</u>
 Certified net loss	 <u>\$ (671,965)</u>

4. Party-In-Interest Transactions

The Plan's non-interest bearing cash account is managed by Benefit Trust and consists of funds received but not yet used to purchase investments on behalf of the participants. As Benefit Trust is the Plan investment custodian, cash transactions within this account by the Plan qualify as party-in-interest transactions. Note receivable transactions with participants also qualify as party-in-interest transactions. These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

5. Income Tax Status

The Plan is a pre-approved plan offered by Guideline. The Internal Revenue Service (IRS) has determined and informed Guideline by a letter dated November 18, 2020, that the plan submitted for review was qualified under applicable provisions of the Code. The Plan and the Plan sponsor believe the Plan is being operated in compliance with the applicable requirements of the Code and related state statutes and is, therefore, qualified and the trust that forms a part of the Plan is exempt from federal and state income taxes.

GAAP requires Plan management to evaluate income tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain income tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded, as of December 31, 2022, there are no uncertain income tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2019.

6. Nonexempt Prohibited Transactions

In 2021, the Plan sponsor did not remit certain participant contributions and loan repayments of \$1,434 timely, as required by the Department of Labor (DOL). The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022.

In 2022, the Plan sponsor did not remit certain participant contributions and loan repayments of \$48,783 timely, as required by the DOL. The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022 (\$28,352) and 2023 (\$20,431).

Spring Care, Inc. 401(k) Plan
Notes to Financial Statements

7. Reconciliation of Financial Statements to Schedule H of Form 5500

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

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 6,899,400	\$ 2,590,549
Less: Participant contributions receivable	(145,505)	(120,703)
Less: Employer contributions receivable	(47,923)	-
Add: Liability for corrective distributions	<u>-</u>	<u>17,171</u>
Net assets available for benefits per Form 5500	<u>\$ 6,705,972</u>	<u>\$ 2,487,017</u>

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

Net increase in net assets available for benefits per the financial statements	\$ 4,308,851
Less: Participant contributions receivable as of December 31, 2022	(145,505)
Add: Participant contributions receivable as of December 31, 2021	120,703
Less: Employer contribution receivable as of December 31, 2022	(47,923)
Less: Liability for corrective distributions as of December 31, 2021	<u>(17,171)</u>
Net increase in net assets available for benefits per Form 5500	<u>\$ 4,218,955</u>

8. Subsequent Events

Subsequent events have been evaluated through October 16, 2023, which is the date the financial statements were approved by the Plan and available to be issued.

Spring Care, Inc. 401(k) Plan
(Employer Identification Number 81-2832914)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2022

(a)	(b) Identity of issuer, 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
	Benefit Trust Company		
	BANC Master Deposit Account	**	\$ 971
	DFA World Ex Government Fixed Income	**	6,532
	Vanguard Group Bond Index Admiral Class	**	757,848
	Vanguard Short-Term Inflation Protected Securities Index Admiral Class	**	14,939
	Vanguard Group Inflation Protected Security	**	4,869
	Vanguard Funds Total International Bond Index	**	242,895
	Vanguard Short-Term Corporate Bond Index Fund Admiral Class	**	13,784
	American Fund Growth Fund of America Class R6	**	4,660
	Vanguard Group FTSE Social Index Fund Admiral	**	5,287
	Vanguard Group Equity Income Fund Admiral Shares	**	8,699
	Vanguard Group Small Cap Value Index Admiral	**	57,028
	Vanguard Group Mid-Cap Value Index Fund - Admiral Class	**	1,974
	Vanguard Funds Tax Managed Small Cap - Admiral Class	**	6,326
	Vanguard Group Strategic Small Cap Equity	**	3,976
	Vanguard Materials Index Admiral	**	243
	Vanguard Information Technology Index Admiral	**	7,006
	Vanguard Health Care Index Admiral	**	3,443
	Vanguard Financials Index Admiral	**	801
	Vanguard Energy Index Admiral	**	2,378
	Vanguard Group Mid Cap Index Admiral	**	77,331
	Vanguard Group Growth Index Admiral	**	99,017
	Vanguard Group Value Index Admiral	**	18,606
	Vanguard Group Extended Market Index	**	3,375
	Vanguard Group Index 500 Admiral	**	211,820
	Vanguard Group Total Stock Index Admiral Class	**	2,837,799
	DFA Funds International Large Cap	**	4,720
	Vanguard Group Total International Stock Index Admiral	**	14,855
	Vanguard Funds Developed Markets Index Admiral	**	1,237,610
	Vanguard Emerging Markets Stock Index Fund Admiral Class	**	612,823
	DFA Funds Real Estate	**	6,335
	DFA Funds Global Real Estate Securities Portfolio	**	3,244
	Vanguard Group Real Estate Index Fund Admiral Shares	**	328,192
*	Non-interest bearing cash	55,477	55,477
*	Participant loans receivable - 4 loans outstanding with interest rates from 4.25% to 6.50%	-	51,109
	Total assets held at end of year		<u>\$ 6,705,972</u>

* An asterisk in column (a) denotes a transaction with a party-in-interest to the Plan.

** Cost information is not required as all investments are participant directed.

Spring Care, Inc. 401(k) Plan
(Employer Identification Number 81-2832914)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2022

<u>Total Constituting Nonexempt Prohibited Transactions</u>					
<u>Contributions Transferred Late to Plan</u>	<u>Contributions not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>	<u>Pending Correction in VFCP</u>		<u>Total Fully Corrected under VFCP & PTE 2002-51</u>
\$ 50,217	\$ 20,431	\$ 29,786	\$ -		\$ -

In 2021, the Plan sponsor did not remit certain participant contributions and loan repayments of \$1,434 timely, as required by the Department of Labor (DOL). The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022.

In 2022, the Plan sponsor did not remit certain participant contributions and loan repayments of \$48,783 timely, as required by the DOL. The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022 (\$28,352) and 2023 (\$20,431).



**Spring Care, Inc. 401(k) Plan
Financial Statements and
Supplemental Schedules
with
Independent Auditors' Report
December 31, 2022 and 2021 (compiled)**

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Plan Administrator
Spring Care, Inc. 401(k) Plan
New York, New York

INDEPENDENT AUDITORS' REPORT



Certified
Public
Accountants

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

We have performed an audit of the financial statements of the Spring Care, Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the 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 financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. 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 the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2022 and for the year then ended, stating the certified investment information, as described in Note 3 to the 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 Financial Statements* section:

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

Basis for Opinion

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 the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the *Scope and Nature of the ERISA Section 103(a)(3)(C) Audit* section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of GAAP.

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

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

Other Matter—Supplemental Schedules Required by ERISA

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

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

In our opinion:

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

Report on Compiled Financial Statement

Plan management is responsible for the accompanying statement of net assets available for benefits as of December 31, 2021 in accordance with GAAP. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statement.

Frank, Rimmerman + Co. CPAs LLP

San Jose, California
October 16, 2023

Spring Care, Inc. 401(k) Plan
Statements of Net Assets Available for Benefits

	December 31, <u>2022</u>	<u>2021</u> (compiled)
Assets		
Investments, at fair value:		
Mutual funds	\$ 6,598,415	\$ 2,405,938
Money market fund	<u>971</u>	<u>1</u>
Total investments	6,599,386	2,405,939
Contributions receivable:		
Participant	145,505	120,703
Employer	<u>47,923</u>	<u>-</u>
Total receivables	193,428	120,703
Notes receivable from participant	51,109	37
Non-interest bearing cash	<u>55,477</u>	<u>81,041</u>
Total assets	6,899,400	2,607,720
Liability for Corrective Distributions	<u>-</u>	<u>17,171</u>
Net Assets Available for Benefits	<u>\$ 6,899,400</u>	<u>\$ 2,590,549</u>

See Notes to Financial Statements

Spring Care, Inc. 401(k) Plan
Statement of Changes in Net Assets Available for Benefits

Additions to Net Assets

Investment income (loss):

Net depreciation in fair value of investments \$ (790,601)

Interest and dividends 117,082

Net investment loss (673,519)

Interest on notes receivable from participants 1,554

Net loss (671,965)

Contributions:

Participant 2,983,359

Participant rollover 1,423,431

Employer 939,476

Total contributions 5,346,266

Total net additions 4,674,301

Deductions from Net Assets

Benefits paid to participants 360,728

Account maintenance fees 4,722

Total deductions 365,450

Net Increase 4,308,851

Net Assets Available for Benefits

December 31, 2021 (compiled) 2,590,549

December 31, 2022 \$ 6,899,400

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

1. Description of the Plan

Spring Care, Inc. (the Company) established the Spring Care, Inc. 401(k) Plan (the Plan), effective January 7, 2018, to provide benefits and tax-deferred savings opportunities to eligible Company employees. The following description of the Plan, as amended and restated effective January 1, 2022, provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General:

The Plan is a defined contribution plan under Sections 401(k) and related provisions of the Internal Revenue Code (the Code) and applicable state laws. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Company is the Plan sponsor and the Plan administrator. A Company employee has been designated as the Plan trustee. The Plan is administered by Company employees who are responsible for selecting investment options offered under the Plan and monitoring investment performance. Benefit Trust Company (Benefit Trust) serves as the Plan's investment custodian and Guideline, Inc. (Guideline) serves as the Plan's third-party administrator and record keeper. Benefit Trust holds, invests, and reinvests Plan assets in the interest and direction of the participants and their beneficiaries.

Eligible Participants:

Eligible employees, as defined by the Plan agreement, age 21 or older, may participate in the Plan three months after their date of hire.

Contributions:

Participants are permitted to make voluntary salary deferral contributions up to 100% of their annual compensation, as defined in the Plan agreement. Participants who have reached the age of 50 may also elect to withhold additional catch-up contributions under the Code. Participants may also contribute amounts representing distributions from other qualified defined contribution or defined benefit plans (rollovers), subject to Code regulations.

The Plan provides for automatic enrollment on the date participants become eligible for the Plan. The automatic pre-tax salary deferral contribution is 1% of their eligible compensation, as defined by the Plan agreement, unless participants request a different amount to be contributed or formally decline participation. Participants may adjust the deferral rate or discontinue contributions at any time.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

1. Description of the Plan (continued)

Contributions: (continued)

The Company may make discretionary matching and non-elective contributions, at the discretion of the Company's Board of Directors. In 2022, the Company made discretionary matching contributions equal to 100% of each participant's contribution up to 2% of eligible compensation. The Company's matching contributions were \$939,476, of which \$47,923 was receivable as of December 31, 2022. The Company has not made any non-elective contributions to the Plan through December 31, 2022.

Contributions are subject to certain limitations under the Code.

Participant Accounts:

Participant accounts are credited with participant contributions, Company matching contributions, Company non-elective contributions (if any), rollovers and an allocation of Plan net earnings or losses. Allocations are based on participant earnings or account balances, in accordance with Plan agreement. The benefit to which participants are entitled is the benefit that can be provided from the participant account balances.

Participants may elect to invest their accounts in a variety of participant-directed investment options offered by the Plan that are designed to provide the participants with a wide range of investment options. Participants may authorize transfers among investment options at any time.

Vesting:

Participants are fully (100%) vested in their account balances.

Notes Receivable from Participants:

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant notes are reclassified as distributions based upon the terms of the Plan agreement.

Participants may borrow up to one-half of their account balance, a minimum of \$1,000 and not to exceed \$50,000, for a period not to exceed five years, except for notes used to purchase a primary residence for which terms of up to thirty years are permitted. Participants may only have one note outstanding at a time. Participant notes are evidenced by a written note, secured by the balance in the participant's account, and bear interest at the prime rate, as published in The Wall Street Journal, plus 1%. The interest rates on notes outstanding as of December 31, 2022 range from 4.25% to 6.50%. Repayment of principal and interest is generally made through payroll deductions.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

1. Description of the Plan (continued)

Liability for Corrective Distributions:

The liability for corrective distributions represents contributions made by participants that must be refunded in order for the Plan to be in compliance with applicable non-discrimination tests. The December 31, 2021 liability of \$17,171 was refunded in 2022.

Payment of Benefits:

Upon termination of employment, participants may elect to receive a lump sum amount equal to the value of their account balance, or in partial payments. Distributions will be paid as soon as administratively feasible and may be paid in cash payments or rolled into qualified retirement plans or individual retirement accounts, as elected by the participants, subject to certain stipulations as defined by the Plan agreement. Benefits are recorded when paid.

Plan Expenses:

Several of the investment fund options are subject to investment fees based on a percentage of invested assets, as disclosed in the fund's prospectus. These fees are charged directly against the fund's investment performance and, thus, are not separately disclosed in the financial statements. Certain account maintenance and note fees are charged to the Plan and allocated to participant accounts. All other administrative expenses related to the Plan are paid by the Company and are not reflected in the Plan's financial statements.

Risks and Uncertainties:

Participants may invest their account balances in a variety of investment options offered by the Plan. Investments are exposed to various risks, such as interest rate, market fluctuation and credit risks. Due to the level of risk associated with certain investment options offered by the Plan, it is at least reasonably possible changes in risk in the near term could materially affect participant account balances and the amounts reported in the statement of net assets available for benefits.

Plan Termination:

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions and to terminate the Plan, at any time, subject to the provisions of ERISA. In the event of Plan termination, participants would remain fully vested in their accounts and distributions would be made to participants as described in the Plan agreement.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies

Basis of Accounting:

The Plan's financial statements are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investments:

Investments consist of mutual funds and a money market fund. These funds are reported at fair value, which is the net asset value (NAV) of shares held by the Plan at year end, as quoted in active markets. It is not probable the funds will be sold at amounts that differ materially from the NAV of shares held.

Fair Value Measurement:

The Plan uses a three-level hierarchy for fair value measurement based on the nature of inputs used in the valuation of an asset or liability as of the measurement date. The three-level hierarchy prioritizes within the measurement of fair value, the use of market-based information over entity-specific information. Fair value focuses on an exit price and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risk associated with those instruments.

The three-level hierarchy for fair value measurement is defined as follows:

Level I: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level II: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level III: Inputs to the valuation methodology, which are significant to the fair value measurement, are unobservable.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

2. Summary of Significant Accounting Policies (continued)

A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Plan investments are classified as Level I within the fair value hierarchy as of December 31, 2022 and 2021.

Income Recognition:

Purchases and sales of investments are recorded on a trade date basis. Interest income is recorded on the accrual method of accounting. Dividends are recorded on the ex-dividend date. Net depreciation includes gains and losses on the Plan's investments bought, sold or held during the year.

3. Information Prepared and Certified by Benefit Trust

Benefit Trust, as the Plan's investment custodian, has certified the fair value of the Plan's assets and net loss that were used in the preparation of the financial statements and supplemental schedules. The following table summarizes the certified information as of and for the year ended December 31, 2022:

Investments, at fair value	\$ 6,599,386
Notes receivable from participants	51,109
Non-interest bearing cash	<u>55,477</u>
Total certified assets	<u>\$ 6,705,972</u>
 Certified net loss	 <u>\$ (671,965)</u>

4. Party-In-Interest Transactions

The Plan's non-interest bearing cash account is managed by Benefit Trust and consists of funds received but not yet used to purchase investments on behalf of the participants. As Benefit Trust is the Plan investment custodian, cash transactions within this account by the Plan qualify as party-in-interest transactions. Note receivable transactions with participants also qualify as party-in-interest transactions. These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

Spring Care, Inc. 401(k) Plan

Notes to Financial Statements

5. Income Tax Status

The Plan is a pre-approved plan offered by Guideline. The Internal Revenue Service (IRS) has determined and informed Guideline by a letter dated November 18, 2020, that the plan submitted for review was qualified under applicable provisions of the Code. The Plan and the Plan sponsor believe the Plan is being operated in compliance with the applicable requirements of the Code and related state statutes and is, therefore, qualified and the trust that forms a part of the Plan is exempt from federal and state income taxes.

GAAP requires Plan management to evaluate income tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain income tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded, as of December 31, 2022, there are no uncertain income tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2019.

6. Nonexempt Prohibited Transactions

In 2021, the Plan sponsor did not remit certain participant contributions and loan repayments of \$1,434 timely, as required by the Department of Labor (DOL). The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022.

In 2022, the Plan sponsor did not remit certain participant contributions and loan repayments of \$48,783 timely, as required by the DOL. The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022 (\$28,352) and 2023 (\$20,431).

Spring Care, Inc. 401(k) Plan
Notes to Financial Statements

7. Reconciliation of Financial Statements to Schedule H of Form 5500

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

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 6,899,400	\$ 2,590,549
Less: Participant contributions receivable	(145,505)	(120,703)
Less: Employer contributions receivable	(47,923)	-
Add: Liability for corrective distributions	<u>-</u>	<u>17,171</u>
Net assets available for benefits per Form 5500	<u>\$ 6,705,972</u>	<u>\$ 2,487,017</u>

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

Net increase in net assets available for benefits per the financial statements	\$ 4,308,851
Less: Participant contributions receivable as of December 31, 2022	(145,505)
Add: Participant contributions receivable as of December 31, 2021	120,703
Less: Employer contribution receivable as of December 31, 2022	(47,923)
Less: Liability for corrective distributions as of December 31, 2021	<u>(17,171)</u>
Net increase in net assets available for benefits per Form 5500	<u>\$ 4,218,955</u>

8. Subsequent Events

Subsequent events have been evaluated through October 16, 2023, which is the date the financial statements were approved by the Plan and available to be issued.

Spring Care, Inc. 401(k) Plan
(Employer Identification Number 81-2832914)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
December 31, 2022

(a)	(b) Identity of issuer, 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
	Benefit Trust Company		
	BANC Master Deposit Account	**	\$ 971
	DFA World Ex Government Fixed Income	**	6,532
	Vanguard Group Bond Index Admiral Class	**	757,848
	Vanguard Short-Term Inflation Protected Securities Index Admiral Class	**	14,939
	Vanguard Group Inflation Protected Security	**	4,869
	Vanguard Funds Total International Bond Index	**	242,895
	Vanguard Short-Term Corporate Bond Index Fund Admiral Class	**	13,784
	American Fund Growth Fund of America Class R6	**	4,660
	Vanguard Group FTSE Social Index Fund Admiral	**	5,287
	Vanguard Group Equity Income Fund Admiral Shares	**	8,699
	Vanguard Group Small Cap Value Index Admiral	**	57,028
	Vanguard Group Mid-Cap Value Index Fund - Admiral Class	**	1,974
	Vanguard Funds Tax Managed Small Cap - Admiral Class	**	6,326
	Vanguard Group Strategic Small Cap Equity	**	3,976
	Vanguard Materials Index Admiral	**	243
	Vanguard Information Technology Index Admiral	**	7,006
	Vanguard Health Care Index Admiral	**	3,443
	Vanguard Financials Index Admiral	**	801
	Vanguard Energy Index Admiral	**	2,378
	Vanguard Group Mid Cap Index Admiral	**	77,331
	Vanguard Group Growth Index Admiral	**	99,017
	Vanguard Group Value Index Admiral	**	18,606
	Vanguard Group Extended Market Index	**	3,375
	Vanguard Group Index 500 Admiral	**	211,820
	Vanguard Group Total Stock Index Admiral Class	**	2,837,799
	DFA Funds International Large Cap	**	4,720
	Vanguard Group Total International Stock Index Admiral	**	14,855
	Vanguard Funds Developed Markets Index Admiral	**	1,237,610
	Vanguard Emerging Markets Stock Index Fund Admiral Class	**	612,823
	DFA Funds Real Estate	**	6,335
	DFA Funds Global Real Estate Securities Portfolio	**	3,244
	Vanguard Group Real Estate Index Fund Admiral Shares	**	328,192
*	Non-interest bearing cash	55,477	55,477
*	Participant loans receivable - 4 loans outstanding with interest rates from 4.25% to 6.50%	-	51,109
	Total assets held at end of year		<u>\$ 6,705,972</u>

* An asterisk in column (a) denotes a transaction with a party-in-interest to the Plan.

** Cost information is not required as all investments are participant directed.

Spring Care, Inc. 401(k) Plan
(Employer Identification Number 81-2832914)
(Plan Number 001)
Supplemental Schedule Accompanying Form 5500
Schedule H, Line 4a - Schedule of Delinquent Participant Contributions
Year Ended December 31, 2022

<u>Total Constituting Nonexempt Prohibited Transactions</u>					
<u>Contributions Transferred Late to Plan</u>	<u>Contributions not Corrected</u>	<u>Contributions Corrected Outside VFCP</u>	<u>Pending Correction in VFCP</u>		<u>Total Fully Corrected under VFCP & PTE 2002-51</u>
\$ 50,217	\$ 20,431	\$ 29,786	\$ -		\$ -

In 2021, the Plan sponsor did not remit certain participant contributions and loan repayments of \$1,434 timely, as required by the Department of Labor (DOL). The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022.

In 2022, the Plan sponsor did not remit certain participant contributions and loan repayments of \$48,783 timely, as required by the DOL. The Plan sponsor remitted an estimated amount of lost earnings on the delinquent remittances in 2022 (\$28,352) and 2023 (\$20,431).