

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2022</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. ▶	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶	☐

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>FAT QUARTER SHOP LLC 401K PROFIT SHARING PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>FAT QUARTER SHOP LLC</u> <u>2899 BUSINESS PARK DRIVE</u> <u>BUDA, TX 78610</u>		
1c Effective date of plan <u>01/01/2008</u>		
2b Employer Identification Number (EIN) <u>90-0292949</u>		
2c Plan Sponsor's telephone number <u>512-523-9404</u>		
2d Business code (see instructions) <u>451130</u>		

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	11/17/2023	JAMES KEVIN JOLLY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 299
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.....	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> 6a(1) 254 6a(2) 265 6b 1 6c 62 6d 328 6e 0 6f 328 6g 205 6h 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 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) ☒ 1 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

<div>SCHEDULE A (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>	<div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div>	<div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A Name of plan FAT QUARTER SHOP LLC 401K PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 FAT QUARTER SHOP LLC	D Employer Identification Number (EIN) 90-0292949

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

(a) Name of insurance carrier TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
36-6071399	70688	932475018	205	01/01/2022	12/31/2022

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	3184

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

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid FUTUREPLAN FIDUCIARY SERVICES, LLC 200 DYDEN RD E DRESHER, PA 19025

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	3184	FEE	5

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end.....	4	22999
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	3258657

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

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

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

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

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year	7b	24975
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c	Additions: (1) Contributions deposited during the year	7c(1)	4680	
	(2) Dividends and credits	7c(2)	0	
	(3) Interest credited during the year	7c(3)	321	
	(4) Transferred from separate account	7c(4)	11478	
	(5) Other (specify below)	7c(5)	10541	
	▶ CONVERSION ASSETS, EBA CREDITS, LOAN INTEREST PAID & LOAN PRINCIPAL			

(6) Total additions	7c(6)	27020
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d	Total of balance and additions (add lines 7b and 7c(6))	7d	51995
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e	Deductions:			
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1293	
	(2) Administration charge made by carrier	7e(2)	93	
	(3) Transferred to separate account	7e(3)	15350	
	(4) Other (specify below)	7e(4)	12260	
	▶ ADMIN, SERVICE, DISTRIBUTION AND LOAN FEES			

(5) Total deductions	7e(5)	28996
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f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	22999
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	0
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

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

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

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	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 FAT QUARTER SHOP LLC 401K PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 FAT QUARTER SHOP LLC	D Employer Identification Number (EIN) 90-0292949	

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)

TRANSAMERICA FINANCIAL LIFE INSURAN

36-6071399

(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?
15 37 52 62 64 67	RECORDKEEPER	16799	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

NFP RETIREMENT INC

33-0905143

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	INVESTMENT ADVISORY	9505	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FUTUREPLAN FIDUCIARY SERVICES LLC

82-3719843

(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?
15 37 64	RECORDKEEPER	7422	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2022</div> This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan FAT QUARTER SHOP LLC 401K PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 FAT QUARTER SHOP LLC	D Employer Identification Number (EIN) 90-0292949	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: INTERNATIONAL STOCK RET ACCT			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY			
c EIN-PN 36-6071399-929	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17708	
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT AGGRESSIVE 2045 RET ACCT			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY			
c EIN-PN 36-6071399-925	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 114984	
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT AGGRESSIVE 2055 RET ACCT			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY			
c EIN-PN 36-6071399-926	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25461	
a Name of MTIA, CCT, PSA, or 103-12 IE: CORE BOND RET ACCT			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY			
c EIN-PN 36-6071399-928	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11529	
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK EAFE EQUITY INDEX RET ACC			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY			
c EIN-PN 36-6071399-910	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 20563	
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT AGGRESSIVE 2035 RET ACCT			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY			
c EIN-PN 36-6071399-924	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 17068	
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT MODERATE RETIREMENT RET ACC			
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMAPNY			
c EIN-PN 36-6071399-917	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 53257	

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP VALUE RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 83-1098532-277	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 50188
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK EQUITY INDEX RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-909	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 175039
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT MODERATE 2025 RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-918	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 208601
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT MODERATE 2045 RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-920	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 417797
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT MODERATE 2055 RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-921	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 603435
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT AGGRESSIVE RETIREMENT RET A		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-922	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8261
a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT CONSERVATIVE 2025 RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-916	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 155
a Name of MTIA, CCT, PSA, or 103-12 IE: WILMINGTON/PUTNAM EQUITY INCOME LGR		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 83-1098532-215	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 57776
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK U.S. DEBT INDEX RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 36-6071399-911	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6050
a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP GROWTH RET ACCT		
b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY		
c EIN-PN 83-1098532-226	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 27984

a Name of MTIA, CCT, PSA, or 103-12 IE: CLEARBRIDGE LARGE CAP GROWTH RET AC

b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY

c EIN-PN 83-1098532-214	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 113033
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT AGGRESSIVE 2025 RET ACCT

b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY

c EIN-PN 36-6071399-923	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1419
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a Name of MTIA, CCT, PSA, or 103-12 IE: FLEXFIT MODERATE 2035 RET ACCT

b Name of sponsor of entity listed in (a): TRANSAMERICA FINANCIAL LIFE INSURANCE COMPANY

c EIN-PN 36-6071399-919	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1328348
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II **Information on Participating Plans (to be completed by DFEs)**

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	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>FAT QUARTER SHOP LLC 401K PROFIT SHARING 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>FAT QUARTER SHOP LLC</u>	D Employer Identification Number (EIN) <u>90-0292949</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)	34011	44974
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	3379243	3258657
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	24976	22999
(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	3438230	3326630

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	3438230	3326630
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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)	231413	
(B) Participants	2a(1)(B)	366857	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		598270
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)	1846	
(F) Other	2b(1)(F)	321	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2167
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(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)		-618844
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-18407
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	59467	
(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)		59467
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	33726	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		33726
j Total expenses. Add all expense amounts in column (b) and enter total	2j		93193
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-111600
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: **ARMANINO LLP**

(2) EIN: **94-6214841**

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		103713

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

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

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

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

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

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan FAT QUARTER SHOP LLC 401K PROFIT SHARING PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 FAT QUARTER SHOP LLC		D Employer Identification Number (EIN) 90-0292949
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): 36-6071399		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

**Fat Quarter Shop LLC 401(k) Profit Sharing
Plan and Trust**

Financial Statements
and Supplemental Schedules

December 31, 2022 and 2021
and For the Year Ended December 31, 2022



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INDEPENDENT AUDITOR'S REPORT

To the Participants and Plan Administrator of
Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Buda, Texas

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

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

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

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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) audits 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 Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audits of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust'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 Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust's ability to continue as a going concern for a reasonable period of time.

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

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

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

Other Matter - Supplemental Schedules Required by ERISA

The supplemental schedules of delinquent participant contributions for the year the ended December 31, 2022, and of assets (held at end of year) as of December 31, 2022, (collectively, "supplemental schedules") are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental 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 Department of Labor'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 Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Armanino LLP

Armanino^{LLP}
Austin, Texas

October 30, 2023

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Statements of Net Assets Available for Benefits
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments		
Investments, at fair value	\$ 3,258,657	\$ 3,379,243
Investments, at contract value	<u>22,999</u>	<u>24,976</u>
Total investments	<u>3,281,656</u>	<u>3,404,219</u>
Receivables		
Employer contribution	8,261	6,908
Employee contribution	12,604	10,216
Notes receivable from participants	<u>44,974</u>	<u>34,011</u>
Total receivables	<u>65,839</u>	<u>51,135</u>
Net assets available for benefits	<u><u>\$ 3,347,495</u></u>	<u><u>\$ 3,455,354</u></u>

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

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2022

Additions to net assets	
Contributions	
Employer	\$ 232,766
Employee	<u>369,245</u>
Total contributions	<u>602,011</u>
Investment income (loss)	
Net depreciation of investments	<u>(618,523)</u>
Total investment income (loss)	<u>(618,523)</u>
Interest income on notes receivable from participants	<u>1,846</u>
Total additions to net assets, including total investment income (loss)	<u>(14,666)</u>
Deductions from net assets	
Distributions to participants	59,467
Administrative expenses	<u>33,726</u>
Total deductions from net assets	<u>93,193</u>
Net decrease in net assets available for benefits	(107,859)
Net assets available for benefits, beginning of year	<u>3,455,354</u>
Net assets available for benefits, end of year	<u><u>\$ 3,347,495</u></u>

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

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

1. DESCRIPTION OF THE PLAN

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust (the "Plan") is a defined contribution plan covering substantially all eligible employees of Fat Quarter Shop LLC (the "Company" or "Plan Sponsor"). The Plan became effective January 1, 2008 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). All Plan assets are held by Transamerica Financial Life Insurance Company ("Transamerica" or the "Custodian"). Complete information regarding the Plan is included in the Plan Agreement. Significant Plan provisions are summarized below. The Plan was restated on January 1, 2022 to bring the Plan into compliance with legislative and regulatory changes set forth in IRS Notice 2017-37. No significant Plan provisions were modified upon restatement.

Effective January 1, 2023, the Plan was merged into the pooled employer plan, BuildWise PEP. The Plan assets were transferred to BuildWise PEP on January 20, 2023.

Secure 2.0

An expansion of Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE 2.0") was signed into law on December 29, 2022, as part of the Consolidated Appropriations Act of 2023. The effective dates of provisions within SECURE 2.0 vary through 2026. The Plan Sponsor has until the end of the first Plan year beginning on or after January 1, 2025 to amend the Plan for the changes related to SECURE 2.0. The Plan has not been formally amended to adopt these provisions as of the date the financial statements were available to be issued.

Eligibility

Employees of the Company are eligible to participate in the Plan upon the completion of three months of service, as defined. Employees are eligible to participate in the Plan beginning the first of the month coinciding with or next following their eligibility date. Collectively bargained employees, non-resident aliens without U.S. income, and leased employees are not eligible to participate in the Plan.

Contributions

Participants are allowed to make elective pre-tax or Roth contributions to the Plan up to their annual eligible Plan compensation, as defined, subject to limitation under the Internal Revenue Code (IRC). Participants who have attained age 50 are eligible to make catch-up contributions. Participants may also contribute amounts representing rollovers from other qualified retirement plans or individual retirement accounts.

The Company makes contributions to the Plan of amounts determined and authorized by the Plan and the Company's Board of Directors up to the maximum amounts permitted by the IRS. The Company makes safe harbor matching contributions based on each participant's contribution, matching 100% of deferrals up to 4% of a participant's eligible compensation. The Company may also make discretionary non-elective contributions. No discretionary non-elective contributions were approved or made for 2022.

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

1. DESCRIPTION OF THE PLAN (continued)

Participant accounts

Participants direct the investment of their accounts among various investment options offered by the Plan. Participants may change their investment options daily.

Each participant's account is credited with (a) the participant's contributions, (b) an allocation of employer contributions, and (c) an allocation of investment earnings, and is charged with (a) withdrawals, (b) an allocation of investment losses, and (c) certain administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Notes receivable from participants

Participants may borrow from their accounts a minimum of \$1,000 and a maximum amount of i) \$50,000 reduced by the excess of the highest outstanding note receivable balance (or "loan") over the prior twelve months over the outstanding balance of loans on the date a new note receivable is made or ii) 50% of their vested account balance, whichever is less. Notes receivable from participants are secured by the vested balance in the participant's account and bear interest at the prime rate plus 2%. Participants may only have one note receivable outstanding at a time. Principal and interest are paid ratably through payroll deductions over a period generally not to exceed five years unless the funds are used for purchase of a principal residence in which case repayment terms may be extended.

Vesting

Participants are immediately vested 100% in all contributions except employer discretionary non-elective contributions, plus actual earnings thereon. Vesting in the Company's discretionary non-elective contributions, plus actual earnings thereon, is based on years of credited service.

The vesting schedule for the employer discretionary non-elective contribution is as follows

<u>Years of Service</u>	<u>Percentage</u>
Less than 2	- %
2	20 %
3	30 %
4	60 %
5	80 %
6 or more	100 %

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

1. DESCRIPTION OF THE PLAN (continued)

Forfeitures

Non-vested balances of participants' accounts may be subject to forfeiture upon termination of their employment with the Company. A forfeiture occurs in the Plan year in which the participant either receives a distribution of their vested account or has five consecutive one-year breaks in service. Forfeitures are retained in the Plan and used either to pay Plan administrative expenses or to reduce employer contributions. Forfeitures and related activity were not significant as of December 31, 2022 or 2021.

Payment of benefits

Upon termination of service due to death, disability, retirement, or termination of employment, a participant is entitled to receive an amount equal to the vested interest in his or her account, payable in partial withdrawals or lump-sum form. If a participant's account balance is less than or equal to \$1,000 upon termination, the balance is distributed immediately in a lump-sum cash payment unless a direct rollover into another qualified benefit plan is requested. Balances greater than \$1,000 but \$5,000 or less will be rolled over to an individual retirement plan designated by the administrator if the participant has not requested a lump-sum cash payment, or a direct rollover into another qualified benefit plan. If the account balance is over \$5,000, the participant may not receive a lump sum distribution of their vested account balance prior to normal retirement without the participant's consent. The participant can elect receive a distribution paid in the form of a lump-sum cash payment, a direct rollover into another qualified plan, or to postpone payment to a later date and remain in the Plan until they are legally required to begin taking distributions.

In-service withdrawals of all or a portion of a participant's vested account balance may be withdrawn by a participant after reaching age 59 ½. In-service withdrawals of all or a portion of a participant's rollover account balance may be withdrawn at any time.

Withdrawals from the Plan may also be made upon circumstances of financial hardship, in accordance with the provisions specified in the Plan. Hardship withdrawals are strictly regulated by the Internal Revenue Service (IRS).

Distributions from the Plan will normally be subject to income taxes and in certain circumstances may also be subject to IRS penalties, unless the distribution is transferred to another qualified plan or individual retirement account.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of the financial statements in conformity with U.S. GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Risks and uncertainties

The Plan provides for investments in various investment securities, which, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participant account balances and the amounts reported in the financial statements and supplemental schedule of assets (held at end of year).

Investment valuation and income recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies using information provided by investment advisers, the Custodian, and the insurance company. See Note 3 for discussion of fair value measurements.

Investment contracts held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. Interest and dividend income is not broken out from net appreciation (depreciation) of investments, but these amounts are not expected to be material. Investment income is allocated to participant accounts based on each participant's investment allocation.

Management fees and expenses charged to the Plan for investments in pooled separate accounts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. For participant loans that become delinquent, are not cured and result in default, the amount of the unpaid loan principal and interest due to the Plan will be treated as a deemed distribution. Deemed distributions are reported as a taxable distribution and remain part of the participant's account balance until a distributable event occurs.

Contributions and contributions receivable

Contributions from participants and related receivable are recorded based on the date the contributions are separated from the participants' pay (pay date). Contributions from the Company are recorded in the year earned to coincide with the year in which the Company records the contributions to its general ledger. The Plan records receivables for contributions based upon the contributions recognized, less amounts received by the Plan as of the last day of the Plan year. Rollover contributions from participants are recorded based on the date the rollover contributions have been received by the Plan's Custodian.

Payment of benefits

Benefits paid to participants are recorded as a reduction of net assets available for benefits when paid.

Expenses

Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Fees related to the administration of notes receivable from participants and benefit payment transactions are charged directly to the participant's account and are included in administrative expenses.

Subsequent events

The Plan has evaluated subsequent events through October 30, 2023, the date the financial statements and supplemental schedules were available to be issued. See specific subsequent event disclosed in Note 1.

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

3. FAIR VALUE MEASUREMENTS

The guidance for fair value measurement establishes the authoritative definition of fair value, sets out a framework for measuring fair value, and outlines the required disclosures regarding fair value measurements. Fair value is the price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The Plan uses a three-tier fair value hierarchy based upon observable and non-observable inputs as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs developed using the Plan's estimates and assumptions which reflect those that market participants would use.

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

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

- *Pooled separate accounts:* Pooled separate accounts (PSAs) are made up of a wide variety of underlying investments such as equities, preferred stock, bonds, real estate and mutual funds. The investments in the PSA are valued using net asset value (NAV) as a practical expedient to estimate fair value where NAV is based on the market value of its underlying investments. The PSA NAV is not a publicly-quoted price in an active market.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments, at fair value, that are valued using NAV as a practical expedient totaled \$3,258,656 and \$3,379,243 as of December 31, 2022 and 2021, respectively.

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

4. FULLY BENEFIT RESPONSIVE INVESTMENT CONTRACTS

The Plan invests in a fully benefit-responsive investment contract with Transamerica. Transamerica maintains the contributions in a general account. The contract provides for a stable value fund under a group annuity contract with Transamerica under their Stable Value Option investment choices. The Transamerica Stable Value Option investment choices are backed by the general account of Transamerica.

While Transamerica declares rates periodically and backs the principal and interest of these investment choices, any guarantees are subject to the claims paying ability of the insurance company. This investment choice is not guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The account is credited with earnings and charged for participant withdrawals, administrative expenses, and contract charges, as appropriate.

There are no reserves against contract value for credit risk of the contract issuer or otherwise. These investment choices seek to protect against any loss of principal while providing returns in excess of money market funds and one-year U.S. Treasury bills. The investment choices have a portfolio investment rate design in which all deposits in the particular investment choice are credited with the same interest rate on a daily basis, and with no set maturity.

As described in Note 2, because the fund is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefit attributable to the investment contract. Contract value, as reported to the Plan by Transamerica, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

Although Plan participants generally may withdraw assets from the Stable Value Option investment choice without restrictions, Transamerica may impose a hold period at the contract level in the event of a full contract discontinuance or partial contract discontinuance. Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (i) complete or partial Plan termination; (ii) changes to Plan's investment options; or (iii) sale of a division of the Plan Sponsor, corporate layoff of early retirement program. The Plan administrator does not believe that the occurrence of any such event, which would limit the Plan's ability to transact at contract value with participants, is probable.

5. INFORMATION CERTIFIED BY THE CUSTODIAN

The Plan administrator, 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 ERISA. Accordingly, the Custodian, determined to be a qualified institution by the plan administrator, has certified that the following data is complete and accurate:

- Investments, at fair value and contract value, and notes receivable from participants as shown in the accompanying statements of net assets available for benefits as of December 31, 2022 and 2021.

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

5. INFORMATION CERTIFIED BY THE CUSTODIAN (continued)

- Investment income and interest income on notes receivable from participants as shown in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2022.
- Schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2022.

The Plan administrator has requested that the Plan's independent auditor perform no audit procedures on the certified information other than agree the certified information to the related information included in the financial statements and supplemental schedules.

6. RELATED-PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Plan assets include investment in funds managed by the Custodian, contributions receivable from the Plan Sponsor, and notes receivable from participants; therefore, these transactions qualify as party-in-interest transactions under ERISA. Fees incurred by the Plan for the investment management services are included in net appreciation (depreciation) in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment.

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the termination of the Plan, participants are fully vested in all contributions. After deducting all charges and expenses, the balances of all individual accounts will be adjusted and the remaining assets distributed.

8. TAX STATUS

The Plan adopted a volume submitter plan document that received an advisory letter from the IRS on June 30, 2020. The advisory letter stated that the volume submitter Plan document is designed in accordance with the applicable sections of the IRC. The Plan has adopted other required and discretionary amendments. The Plan administrator believes that the Plan, as adopted and amended, is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes is included in the Plan's financial statements.

During the year ended December 31, 2022, the Plan administrator determined that certain operational errors existed with respect to the Plan. The Plan Sponsor is in the process of quantifying and correcting these operational errors in accordance with applicable IRS guidelines in order to maintain the Plan's continued qualified status.

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
Notes to Financial Statements
December 31, 2022 and 2021

9. DELINQUENT PARTICIPANT CONTRIBUTIONS

During 2022 and 2021, the Company failed to remit to the Plan's Custodian certain employee contributions totaling \$103,664 and \$49, respectively, within the period prescribed by DOL regulations. Delays in remitting contributions to the Custodian were due to administrative errors. The delayed contributions are considered prohibited, or nonexempt, transactions. During 2022 and 2023, the Plan corrected the 2022 and 2021 late remittances, including payment of lost interest and related taxes and penalties.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 3,347,495	\$ 3,455,354
Less: employee contributions receivable	(12,604)	(10,216)
Less: employer contributions receivable	<u>(8,261)</u>	<u>(6,908)</u>
Net assets per the Form 5500	<u>\$ 3,326,630</u>	<u>\$ 3,438,230</u>

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

Total net increase per the Statement of Changes in Net Assets Available for Benefits	\$ (107,860)
Add: prior year employee contributions receivable	10,216
Add: prior year employer contributions receivable	6,908
Less: current year employee contributions receivable	(12,604)
Less: current year employer contributions receivable	<u>(8,261)</u>
Net loss per the Form 5500	<u>\$ (111,601)</u>

SUPPLEMENTAL SCHEDULES

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
 EIN: 90-0292949; Plan: 001
 Schedule H, Part IV, Item 4(a) - Schedule of Delinquent Participant Contributions
 December 31, 2022

Participant Contributions Transferred Late to Plan	Total that Constitutes Nonexempt Prohibited Transactions					
Check Here if Late Participant Loan Repayments are included:	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP		Total Fully Corrected Under VFCP and PTE 2002-51	
☒	\$ -	\$ 103,713	\$ -		\$ -	

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
 EIN: 90-0292949; Plan: 001
 Schedule H, Part IV, Item 4(i) - Schedule of Assets (Held at End of Year)
 December 31, 2022

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
*	Transamerica BlackRock EAFE Equity Index Ret Acct	Pooled separate account	**	\$ 20,563
*	Transamerica FlexFIT Moderate 2055 Ret Acct	Pooled separate account	**	603,435
*	Transamerica FlexFIT Aggressive 2055 Ret Acct	Pooled separate account	**	25,461
*	Transamerica FlexFIT Aggressive 2045 Ret Acct	Pooled separate account	**	114,984
*	Transamerica FlexFIT Moderate 2045 Ret Acct	Pooled separate account	**	417,797
*	Transamerica International Stock Ret Acct	Pooled separate account	**	17,708
*	Transamerica FlexFIT Aggressive 2035 Ret Acct	Pooled separate account	**	17,069
*	Transamerica FlexFIT Moderate 2035 Ret Acct	Pooled separate account	**	1,328,348
*	Transamerica FlexFIT Moderate 2025 Ret Acct	Pooled separate account	**	208,601
*	Transamerica BlackRock Equity Index Ret Acct	Pooled separate account	**	175,039
*	Transamerica FlexFIT Moderate Retirement Ret Acct	Pooled separate account	**	53,257
*	Transamerica Core Bond Ret Acct	Pooled separate account	**	11,529
*	Transamerica BlackRock U.S. Debt Index Ret Acct	Pooled separate account	**	6,050
*	Transamerica FlexFIT Aggressive Retirement Ret Acct	Pooled separate account	**	8,261
*	Transamerica ClearBridge Large Cap Growth Ret Acct	Pooled separate account	**	113,033
*	Transamerica Small Cap Growth Ret Acct	Pooled separate account	**	27,984
*	Transamerica Small Cap Value Ret Acct	Pooled separate account	**	50,188
*	Transamerica Wilmington/Putnam Eqty Inc Lrg Cap Val Ret Acct	Pooled separate account	**	57,776
*	Transamerica FlexFIT Aggressive 2025 Ret Acct	Pooled separate account	**	1,419
*	Transamerica FlexPATH Index Conserv 2055 Ret Acct	Pooled separate account	**	155
*	Transamerica Stable Value Advantage Account	Insurance company general account With varying maturity rates and interest rates ranging from 5.25% to 9%	**	22,999
*	Participant loan receivable		**	44,974
				<u>\$ 3,347,193</u>

* Indicates party-in-interest to the Plan

** Cost information not provided as all investments are participant directed

Fat Quarter Shop LLC 401(k) Profit Sharing Plan and Trust
 EIN: 90-0292949; Plan: 001
 Schedule H, Part IV, Item 4(i) - Schedule of Assets (Held at End of Year)
 December 31, 2022

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*	Indicates party-in-interest to the Plan			
**	Cost information not provided as all investments are participant directed			