

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023	
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 THE PARROTT GROUP, INC. 401(K) SALARY REDUCTION PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 10/01/1994
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) THE PARROTT GROUP, INC. 927 SOUTH IRBY STREET FLORENCE, SC 29501
2b	Employer Identification Number (EIN) 57-0936400
2c	Plan Sponsor's telephone number 843-661-0210
2d	Business code (see instructions) 442110

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.	07/23/2024	DAWN PARROTT
	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

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 268
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.....		6a(1) 196 6a(2) 218 6b 6 6c 47 6d 271 6e 1 6f 272 6g 252 6h 17
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2A 2E 2F 2G 2J 2K 2S 2T 3D 3F 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ 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) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

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

Receipt Confirmation Code _____

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

For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023		
A Name of plan THE PARROTT GROUP, INC. 401(K) SALARY REDUCTION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE PARROTT GROUP, INC.	D Employer Identification Number (EIN) 57-0936400	

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)

NEWPORT GROUP, INC.

27-2037969

(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 50 64	RECORD-KEEPER	27154	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

WRFA

1411 SECOND LOOP RD
FLORENCE, SC 29501

(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	ADVISOR	21191	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>10/01/2022</u> and ending <u>09/30/2023</u>		
A Name of plan <u>THE PARROTT GROUP, INC. 401(K) SALARY REDUCTION 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>THE PARROTT GROUP, INC.</u>		D Employer Identification Number (EIN) <u>57-0936400</u>

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)	137677	166981
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	4574466	5638442
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	4712143	5805423

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	4712143	5805423
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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)	434940	
(B) Participants	2a(1)(B)	530729	
(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)		965669
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)	9049	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		9049
(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)	141949	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		141949
(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)		425734
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1542401
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	384646	
(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)		384646
f Corrective distributions (see instructions)	2f		13609
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	2521	
(2) Contract administrator fees	2i(2)	27154	
(3) Investment advisory and management fees	2i(3)	21191	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		50866
j Total expenses. Add all expense amounts in column (b) and enter total	2j		449121
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		1093280
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: MUNN & ASSOCIATES, PC

(2) EIN: 57-0902671

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		64358

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

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 10/01/2022 and ending 09/30/2023		
A Name of plan THE PARROTT GROUP, INC. 401(K) SALARY REDUCTION PLAN		B Three-digit plan number (PN) 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE PARROTT GROUP, INC.		D Employer Identification Number (EIN) 57-0936400
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): 75-3182674		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....		☐ Yes ☐ No
11 a Does the ESOP hold any preferred stock?.....		☐ Yes ☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....		☐ Yes ☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....		☐ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

**THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
FINANCIAL REPORT
SEPTEMBER 30, 2023 AND 2022**

**THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
FLORENCE, SOUTH CAROLINA**

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MUNN & ASSOCIATES, PC

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator
The Parrott Group, Inc. 401(k) Salary Reduction Plan & Trust
Florence, South Carolina

Opinion

We have audited the accompanying financial statements of The Parrott Group, Inc. 401(k) Salary Reduction Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of September 30, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of The Parrott Group, Inc. 401(k) Salary Reduction Plan as of September 30, 2023 and 2022, and the changes in net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of The Parrott Group, Inc. 401(k) Salary Reduction Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and

disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Parrott Group, Inc. 401(k) Salary Reduction Plan's internal control. Accordingly, no such an opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Parrott Group, Inc. 401(k) Salary Reduction Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of schedule of delinquent participant contributions and schedule of assets (held at end of year) are presented for the 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 the ERISA. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, 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 information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Munn & Associates, PC

Munn & Associates, PC
Florence, South Carolina
July 18, 2024

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN
STATEMENTS OF NET ASSETS
AVAILABLE FOR BENEFITS
September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Investments, at fair value:		
Registered investment companies (mutual funds)	\$ 5,638,442	\$ 4,574,466
Total investments	<u>5,638,442</u>	<u>4,574,466</u>
Receivables:		
Employer profit sharing contributions	75,000	186,094
Employer matching contributions	299,362	263,906
Late contributions correction	444	-
Participant loans	<u>166,981</u>	<u>137,677</u>
Total receivables	<u>541,787</u>	<u>587,677</u>
Total assets	<u>6,180,229</u>	<u>5,162,143</u>
LIABILITIES		
Payables:		
Excess elective deferrals	35,243	16,087
Other excess deferrals	<u>311</u>	<u>-</u>
Total liabilities	<u>35,554</u>	<u>16,087</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	<u><u>\$ 6,144,675</u></u>	<u><u>\$ 5,146,056</u></u>

The Accompanying Notes Are An Integral Part of These Financial Statements.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN
STATEMENTS OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS
Years Ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Additions to net assets attributed to:		
<i>Investment income</i>		
Net appreciation(depreciation)		
in fair value of investments	\$ 426,762	\$ (1,443,621)
Participant loan interest income	9,049	7,473
Dividend and interest income	141,949	525,757
Other income	444	-
Total investment income	578,204	(910,391)
<i>Contributions</i>		
Employer profit sharing contribution	75,000	186,094
Employer matching contribution	299,362	263,906
Employee salary deferrals	495,174	326,573
Total contributions	869,536	776,573
Total additions	1,447,740	(133,818)
Deductions from net assets attributed to:		
Benefits paid to participants	384,646	359,135
Corrective distributions	13,609	1,127
Other administrative expenses	50,866	54,441
Total deductions from net assets	449,121	414,703
Net increase	998,619	(548,521)
Net assets available for benefits:		
Beginning of year	5,146,056	5,694,577
End of year	\$ 6,144,675	\$ 5,146,056

The Accompanying Notes Are An Integral Part of These Financial Statements.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 1 - Description of plan

The following description of The Parrott Group, Inc. 401(K) Salary Reduction Plan & Trust provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General. The Plan is a defined contribution plan covering all full-time employees of the Company who have one year of service and are age twenty-one or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Board of Trustees oversees governance of the Plan. The Plan's Investment Committee determines the appropriateness of the Plan's investment offerings, monitors investment performance, and reports to the Plan's Board of Trustees.

Form 5500 Reporting Information.

Plan name:	The Parrott Group, Inc. 401(K) Salary Reduction Plan & Trust
Plan's Employer Identification Number:	57-0936400
Plan Number:	001

Eligibility. Employees of the Company and its participating subsidiaries are generally eligible to participate in the Plan after attaining age 21 and the completion of one year of service providing they worked at least 1,000 hours during such plan year. Participants who do not have at least 1,000 hours of service during such plan year or are not employed on the last working day of a plan year are generally not eligible for an allocation of a profit sharing contribution.

Contributions. Each year, participants may contribute a discretionary percentage or dollar amount of pretax annual compensation up to the maximum amount allowed by law as defined in the Plan. Participants may also rollover amounts representing distributions from other qualified defined benefit or contribution plans. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers mutual funds as investment options. The Company may make a discretionary matching contribution to the Plan. The Company's matching contribution is invested as the participant directs. Additional profit sharing amounts may be contributed at the option of the company's board of directors and are invested as the participant directs. Contributions are subject to certain limitations.

Participant accounts. Each participant's account is credited with the participant's contribution and allocations of (a) the Company's matching contribution, (b) the Company's profit sharing contribution, and (c) Plan earnings and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting. Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is one hundred percent (100%) vested after six years of credited service, death, or total and permanent disability.

Participant loans. Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and bear interest at 2 percentage points over the prime interest rate, which are commensurate with local prevailing rates as determined by the Plan Administrator. Principal and interest are paid ratably through monthly payroll deductions.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 1 - Description of plan (Continued)

Payment of benefits. On termination of service due to death, disability, retirement, or termination of employment, a participant may receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. In-service distributions are permitted for participants or beneficiaries who must receive required minimum distributions under Code Section 401(a)(9) of the Internal Revenue Code and for those participants who have attained the age of 59 ½.

Forfeited accounts. On September 30, 2023 and 2022, forfeited nonvested accounts totaled \$30,345 and \$14,854, respectively. Forfeitures are used to reduce future employer contributions.

NOTE 2 - Summary of significant accounting policies¹

Estimates. The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Basis of accounting. The financial statements of the Plan are prepared under the accrual method of accounting.

Investments 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 measure 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 normally would receive if they were to initiate permitted transactions under the terms of the plan.

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 charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of September 30, 2023 and 2022, no allowances for credit losses have been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the Plan document.

Investment valuation and income recognition. Investments are reported at fair value, except for fully benefit-responsive investment contracts, which are reported at contract 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. The Investment Committee determines the Plan's valuation policies. See Note 6 for discussion of fair value measurements.

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 includes the plan's gains and losses on investments bought and sold as well as held during the year.

Excess Contributions Payable. Amounts payable to participants totaling \$35,555 for 2023 and \$16,087 for 2022 contributions in excess of amounts allowed by the IRS are recorded as accounts payable with a corresponding reduction to 2023 and 2022 contributions. The Plan had not distributed the excess contributions for 2023 as of September 30, 2023.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 2 - Summary of significant accounting policies (Continued)

Payment of benefits. Benefits are recorded when paid.

Operating expenses. The plan participants absorb significant costs of the Plan's administration and are therefore included in these financial statements.

Fair value measurement.

The FASB established a framework for measuring fair value and disclosing fair value measurements to financial statement users. Fair value is the price that would be received to sell an asset or paid to transfer a liability (referred to as "exit price") in an orderly transaction between market participants in the principal market, or if none exists, the most advantageous market, for specific assets or liabilities at the measurement dates. The fair value should be based on assumptions that market participants would use, including consideration of nonperformance risk.

In determining fair value, the Plan uses various approaches. The FASB established a hierarchy for inputs in measuring the fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Plan. Unobservable inputs are inputs that reflect the Plan's assumptions about assumptions market participants would use in pricing the assets or liabilities developed based on the best information available in the circumstances.

The hierarchy is broken down into of three levels based on the observability of inputs as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets and liabilities in active markets to which the Plan has access.

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for assets or liabilities; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

The availability of observable inputs can vary and is affected by a wide variety of factors, including, for example, the type of asset or liability, the liquidity of markets and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercises by the Plan in determining fair value is greatest for instruments categorized in Level 3.

In certain cases, the inputs used to measure fair value fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 2 - Summary of significant accounting policies (Continued)

Fair value is a market-based measure considered from the perspective of a market participant rather than an organization-specific measure. Therefore, even when market assumptions are not readily available, the Plan's own assumptions are set to reflect those that the Plan believes market participants would use in pricing the asset or liability at the measurement date.

Recent Accounting Pronouncements. The Plan has not elected early adoption of any recent accounting pronouncements, where permitted, for the year ended September 30, 2023.

NOTE 3 - Risks and uncertainties

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

NOTE 4 - Tax status

The Internal Revenue Service has determined and informed the prototype Plan Sponsor by a letter-dated November 20, 2020, that the Plan and related Trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Company has adopted this prototype plan and has elected to rely on the determination letter of the prototype plan. The Plan was amended and restated effective October 1, 2021 and the plan administrator and the plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2020.

NOTE 5 - Concentrations

The Plan maintains 100% of its assets in mutual funds and participant loans. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the concentration of these investments in the Plan, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 6 – Summary of fair value measurements

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value on a recurring basis as of September 30, 2023 and 2022:

	Assets Measured At					
	Net Asset Value	Level 1	Level 2	Level 3	Total	
2023						
<u>Assets</u>						
Mutual Funds	\$ -	\$ 5,638,442	\$ -	\$ -	\$ 5,638,442	
Total	\$ -	\$ 5,638,442	\$ -	\$ -	\$ 5,638,442	
2022						
<u>Assets</u>						
Mutual Funds	\$ -	\$ 4,574,466	\$ -	\$ -	\$ 4,574,466	
Total	\$ -	\$ 4,574,466	\$ -	\$ -	\$ 4,574,466	

The fair values of mutual funds are based on quoted market prices.

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the years ended September 30, 2023 and 2022 are reported in net appreciated (depreciated) in fair value of investments.

The Plan's policy is to recognize transfers between Level 1 and Level 2 and into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer. For the years ending September 30, 2023 and 2022, there were no transfers between Level 1 and Level 2 and no transfers into or out of Level 3.

NOTE 7 - Related party transactions

The Newport Group, Inc. provides third party administrative services to the Plan. These services qualify as party-in-interest transactions.

Newport Trust Company provides trust reporting services to the Plan. These services are used by The Newport Group, Inc. to do plan administration. These services qualify as party-in-interest transactions.

Munn & Associates, PC provides auditing services to the Plan. These services qualify as party-in-interest transactions.

WebsterRogers Financial Advisors, LLC provides advisory services to the Plan. These services qualify as party-in-interest services.

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 8 - Investments

The following presents investments at fair value at September 30, 2023 and 2022. Those investments marked with an asterisk (*) represent five percent (5%) or more of the Plans net assets:

Investments at fair value as determined
by quoted market price:

	2023		2022	
	Number of Shares	Amount	Number of Shares	Amount
Baird Aggressive Bond Institutional	24,453.909	\$ 227,421	26,164.882	\$ 248,043 *
DFA Inflation Protected Securities I	864.440	8,862	762.713	8,146
DFA International Small Company I	5,500.456	97,028	5,484.250	82,977
Vanguard Emerging Markets Stock Index	1,877.572	61,509	1,907.894	58,076
Vanguard Small Cap Index Adm	2,620.665	237,354	2,645.986	216,680
Vanguard 500 Index Admiral	757.844	299,795 *	776.115	256,762 *
Vanguard Balance Index ADM	605.549	25,179	692.105	26,411
Vanguard Federal Money Market Inv	372,187.980	372,188 *	342,486.610	342,487 *
Vanguard Mid Cap Index ADM	38.762	9,997	27.480	6,399
Vanguard REIT Index ADM	383.722	41,154	380.231	43,202
Vanguard Short-Term Investment Grade	24,646.975	244,745	25,806.930	253,940 *
Vanguard Developed Markets Equity Index	7,475.136	104,951	7,663.280	89,506
Vanguard Target Retirement 2020 Inv	19,292.439	509,706 *	17,816.183	451,997 *
Vanguard Target Retirement 2025 Inv	43,591.163	765,025 *	37,129.052	601,491 *
Vanguard Target Retirement 2030 Inv	18,889.208	627,688 *	14,612.560	440,130 *
Vanguard Target Retirement 2035 Inv	16,094.605	332,032 *	15,909.478	294,325 *
Vanguard Target Retirement 2040 Inv	7,774.967	283,786	6,543.505	211,028
Vanguard Target Retirement 2045 Inv	8,696.264	214,450	6,601.547	142,197
Vanguard Target Retirement 2050 Inv	13,513.810	554,066 *	11,100.236	393,392 *
Vanguard Target Retirement 2055 Inv	8,770.039	401,142 *	6,781.874	267,613 *
Vanguard Target Retirement 2060 Inv	4,494.277	189,299	2,853.232	103,572
Vanguard Target Retirement 2065 Inv	653.202	18,022	381.662	9,068
Vanguard Target Retirement Income Inv	1,049.317	13,043	2,251.968	27,024
		<u>5,638,442</u>		<u>4,574,466</u>
Participant loans	166,981.160	<u>166,981</u>	137,677.040	<u>137,677</u>
		<u>\$ 5,805,423</u>		<u>\$ 4,712,143</u>

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 9 – Reconciliation of financial statements to Schedule H of Form 5500

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

	<u>2023</u>
Receivables - per financial statements	
Profit sharing	\$ 75,000
Employer matching	299,362
Late contribution correction	444
Participant loans	166,981
	<u>541,787</u>
Less: Receivable - per financial statements	(374,806)
Receivables - employer contributions per Schedule H of Form 5500	<u><u>\$ 166,981</u></u>

	<u>2023</u>
Payables - per financial statements	
Excess elective deferrals	\$ 35,243
Other elective deferrals	311
	<u>\$ 35,554</u>
Less: Payables -per financial statements	\$ (35,554)
Payables - excess deferrals per Schedule H of Form 5500	<u><u>\$ -</u></u>

	<u>2023</u>
Net assets available for benefits per financial statements	\$ 6,144,675
Less: receivables per financial statements	(374,806)
Plus: payable per financial statements	35,554
Net assets available Schedule H Form 5500	<u><u>\$ 5,805,423</u></u>

	<u>2023</u>
Contributions - employer contributions per financial statements	
Profit sharing	\$ 75,000
Employer match	299,362
	<u>374,362</u>
Less: employer contributions	60,578
Contributions - employer contributions per Schedule H of Form 5500	<u><u>\$ 434,940</u></u>

	<u>2023</u>
Contributions - participant contributions per financial statements	\$ 495,174
Plus: participant contributions	35,555
Contributions - participant contributions per Schedule H of Form 5500	<u><u>\$ 530,729</u></u>

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN & TRUST
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023 and 2022

NOTE 9 – Reconciliation of financial statements to Schedule H of Form 5500 (Continued)

	<u>2023</u>
Net investment gain (loss) from registered investments companies per financial statements	\$ 426,762
Plus: net investment gain(loss)	<u>(1,028)</u>
Net investment gain(loss) from registered investments companies per Schedule H of Form 5500	<u>\$ 425,734</u>
	<u>2023</u>
Other income - per financial statements	\$ 444
Less: Other income - per financial statements	<u>(444)</u>
Other income - per Schedule U Form 5500.	<u>\$ -</u>
	<u>2023</u>
Total income per financial statements	\$ 998,619
Plus: employer contributions adjustment	60,578
Plus: participant contributions	35,555
Plus: Investment gain(loss) adjustment	(1,028)
Plus: Other income	<u>(444)</u>
Total income per Schedule H Form 5500	<u>\$ 1,093,280</u>

NOTE 10 – Party-in-interest prohibited transactions

The Plan Sponsor failed to make timely contributions of employee contributions and loan repayments during the plan year. This resulted in party-in-interest prohibited transactions. The amount reported on Schedule H, Part IV, Line 4a is \$64,358. Once discovered, the Plan Sponsor took immediate action to correct for lost earnings using the VFCP Calculator to identify the lost earning and deposited the calculated amount into the Plan Trust. Supplemental Schedule H, Line 4a – Schedule of Delinquent Participant Contributions has been included in the filing. All corrections were made outside VFCP after the end of the plan year.

NOTE 11 - Date of management review of subsequent events

Subsequent events were evaluated through July 18, 2024, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN
SCHEDULE H, line 4a - SCHEDULE OF DELINQUENT
PARTICIPANT CONTRIBUTIONS
September 30, 2023

Participant Contributions Transferred Late to Plan (Includes Late Participant Loan Repayments - Yes)	Total that Constitutes Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contribution Pending Correction in VFCP	
\$ 64,358	\$ -	\$ 64,358	\$ -	\$ -

THE PARROTT GROUP, INC.
401(K) SALARY REDUCTION PLAN
SCHEDULE H, line 4i - SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
September 30, 2023

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investments Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value		(e) Current Value
		Type	Shares	
	Baird Aggressive Bond Institutional	MF	24,453.909	\$ 227,421
	DFA Inflation Protected Securities I	MF	864.440	8,862
	DFA International Small Company I	MF	5,500.456	97,028
	Vanguard Emerging Markets Stock Index	MF	1,877.572	61,509
	Vanguard Small Cap Index ADM	MF	2,620.665	237,354
	Vanguard 500 Index Admiral	MF	757.844	299,795
	Vanguard Balanced Index ADM	MF	605.549	25,179
	Vanguard Federal Money Market Inv	MF	372,187.980	372,188
	Vanguard Mid Cap Index ADM	MF	38.762	9,997
	Vanguard REIT Index ADM	MF	383.722	41,154
	Vanguard Short-Term Investment Grade	MF	24,646.975	244,745
	Vanguard Developed Markets Equity Index	MF	7,475.136	104,951
	Vanguard Target Retirement 2020 Inv	MF	19,292.439	509,706
	Vanguard Target Retirement 2025 Inv	MF	43,591.163	765,025
	Vanguard Target Retirement 2030 Inv	MF	18,889.208	627,688
	Vanguard Target Retirement 2035 Inv	MF	16,094.605	332,032
	Vanguard Target Retirement 2040 Inv	MF	7,774.967	283,786
	Vanguard Target Retirement 2045 Inv	MF	8,696.264	214,450
	Vanguard Target Retirement 2050 Inv	MF	13,513.810	554,066
	Vanguard Target Retirement 2055 Inv	MF	8,770.039	401,142
	Vanguard Target Retirement 2060 Inv	MF	4,494.277	189,299
	Vanguard Target Retirement 2065 Inv	MF	653.202	18,022
	Vanguard Target Retirement Income Inv	MF	1,049.317	13,043
	Participant loans	4.25%-7.50%	166,981.160	166,981
				<u>\$ 5,805,423</u>

THE PARROTT GROUP, INC. 401(k) SALARY REDUCTION PLAN

EMPLOYER EIN: 57-0936400

PLAN YEAR: 10/1/2022 - 9/30/2023

SCHEDULE H, PART IV, Line 4a - SCHEDULE OF DELIQUENT

PARTICIPANT CONTRIBUTIONS

September 30, 2023

Participant Contributions Transferred Late to Plan (Includes Late Participant Loan Repayments, Yes)	Total that Constitutes Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction VFCP	
\$64,358	\$0	\$64,358	\$0	\$0

THE PARROTT GROUP, INC. 401(k) SALARY REDUCTION PLAN**EMPLOYER EIN: 57-0936400****PLAN YEAR: 10/1/2022 - 9/30/2023****SCHEDULE H, PART IV, Line 4i - SCHEDULE OF ASSETS****(HELD AT END OF YEAR)****September 30, 2023**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investments Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value		(e) Current Value
		Type	Shares	
	Baird Aggressive Bond Institutional	MF	24,453.909	\$ 227,421
	DFA Inflation Protected Securities I	MF	864.440	8,862
	DFA International Small Company I	MF	5,500.456	97,028
	Vanguard Emerging Markets Stock Index	MF	1,877.572	61,509
	Vanguard Small Cap Index ADM	MF	2,620.665	237,354
	Vanguard 500 Index Admiral	MF	757.844	299,795
	Vanguard Balanced Index ADM	MF	605.549	25,179
	Vanguard Federal Money Market Inv	MF	372,187.980	372,188
	Vanguard Mid Cap Index ADM	MF	38.762	9,997
	Vanguard REIT Index ADM	MF	383.722	41,154
	Vanguard Short-Term Investment Grade	MF	24,646.975	244,745
	Vanguard Developed Markets Equity Index	MF	7,475.136	104,951
	Vanguard Target Retirement 2020 Inv	MF	19,292.439	509,706
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	Vanguard Target Retirement 2040 Inv	MF	7,774.967	283,786
	Vanguard Target Retirement 2045 Inv	MF	8,696.264	214,450
	Vanguard Target Retirement 2050 Inv	MF	13,513.810	554,066
	Vanguard Target Retirement 2055 Inv	MF	8,770.039	401,142
	Vanguard Target Retirement 2060 Inv	MF	4,494.277	189,299
	Vanguard Target Retirement 2065 Inv	MF	653.202	18,022
	Vanguard Target Retirement Income Inv	MF	1,049.317	13,043
	Participant Loans	4.25%-7.50%	166,981.160	166,981
				<u>\$ 5,805,423</u>