

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A	This return/report is for: ☐ a multiemployer plan ☒ a 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 401(K) RETIREMENT SAVINGS PLAN
1b	Three-digit plan number (PN) ▶ 333
1c	Effective date of plan 01/01/1997
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) PCI STAFF LEASING, INC. 295 SPRING VALLEY RD PARK RIDGE, NJ 07656-1017
2b	Employer Identification Number (EIN) 22-3349434
2c	Plan Sponsor's telephone number 201-797-8000
2d	Business code (see instructions) 541214

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.	08/22/2024	DEREK JACOBSEN
	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 1005
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year		6a(1) 894
a(2) Total number of active participants at the end of the plan year		6a(2) 679
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits.....		6c 71
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 750
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 1
f Total. Add lines 6d and 6e		6f 751
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 245
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 3
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 2U 3F		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ 1 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A Name of plan 401(K) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶ 333
C Plan sponsor's name as shown on line 2a of Form 5500 PCI STAFF LEASING, INC.	D Employer Identification Number (EIN) 22-3349434

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 PRINCIPAL LIFE INSURANCE COMPANY

(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
42-0127290	61271	429934	751		

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.
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(a) Total amount of commissions paid 82792	(b) Total amount of fees paid 0
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

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

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

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

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

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

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

(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	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

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	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits.....	7c(2)	
(3) Interest credited during the year.....	7c(3)	
(4) Transferred from separate account.....	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions.....	7c(6)	
d Total of balance and additions (add lines 7b and 7c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier.....	7e(2)	
(3) Transferred to separate account.....	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions.....	7e(5)	
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs.

Part IV Provision of Information

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

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

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

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 401(K) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶	333
C Plan sponsor's name as shown on line 2a of Form 5500 PCI STAFF LEASING, INC.	D Employer Identification Number (EIN) 22-3349434	

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRINCIPAL LIFE INSURANCE COMPANY
42-0127290

(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)

TBS AGENCY INC

52-1473914

(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?
49 55	OTHER SERVICES	0	Yes ☒ No ☐	Yes ☐ No ☒	9990	Yes ☐ No ☒

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

MACH & ASSOCIATES CPA PA

22-2128332

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	ACCOUNTANT	47500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	72420	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
TBS AGENCY INC	49 55	9990
(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.	
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	COMMISSIONS	
(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:	MACH & ASSOCIATES, CPA	b EIN:	22-2128332
c Position:	AUDITOR		
d Address:	29 MAIN AVENUE ELMWOOD PARK, NJ 07407	e Telephone:	201-797-8338

Explanation: CHANGE OF AUDITORS.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 401(K) RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ▶	333
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 PCI STAFF LEASING, INC.	D Employer Identification Number (EIN) 22-3349434	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL STABLE VALUE FUND			
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO			
c EIN-PN 93-6274328-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	2898661
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL SMALLCAP SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-029	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	567530
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-020	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	610547
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN GOVT & HQ BOND SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-007	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	382121
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN GLBL EMERG MARKETS SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-013	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	228284
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN CORE PLUS BD SEP ACCT-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-005	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	576424
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN DIVERSIFIED INTL SA-R6			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-015	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	533121

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCAP S&P 500 INDEX SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-016	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1517332
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP VALUE I SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-043	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 374744
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP GROWTH III SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-026	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 133309
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP GROWTH I SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-070	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 581248
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LARGE CAP VALUE III SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-068	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 199620
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2010 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-075	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 196150
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2020 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-076	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1672739
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2030 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-077	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1567269
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2040 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-078	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1460307
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2050 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-079	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1882246

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME STRAT INC SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-080	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 28668
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN FIN GRP, INC. STOCK SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-086	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13778
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMALLCAP VALUE II SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-096	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 195966
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SAM BALANCED SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-105	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 242527
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SAM CONS BALANCED SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-106	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 424783
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SAM CONS GROWTH SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-107	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 315529
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SAM FLEXIBLE INCOME SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-108	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 67887
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SAM STRAT GROWTH SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-109	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 196189
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL DIV REAL ASSET SA-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-123	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 149242
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME 2060 SEP ACCT-R6		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY		
c EIN-PN 42-0127290-130	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 129114

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN BLUE CHIP SA-R6

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

c EIN-PN 42-0127290-133	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 574192
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a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN CAPITAL APPR SA-R6

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

c EIN-PN 42-0127290-119	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 951888
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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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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
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection				
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>						
A Name of plan <u>401(K) RETIREMENT SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; padding: 5px;">B Three-digit plan number (PN) ►</td> <td style="width: 20%; padding: 5px; text-align: center;"><u>333</u></td> </tr> <tr> <td colspan="2" style="height: 20px;"></td> </tr> </table>		B Three-digit plan number (PN) ►	<u>333</u>		
B Three-digit plan number (PN) ►	<u>333</u>					
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PCI STAFF LEASING, INC.</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; padding: 5px;">D Employer Identification Number (EIN) <u>22-3349434</u></td> <td style="width: 20%;"></td> </tr> </table>		D Employer Identification Number (EIN) <u>22-3349434</u>			
D Employer Identification Number (EIN) <u>22-3349434</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)	71309551
(2) Participant contributions.....		1b(2)	7246755098
(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)	190081251123
(9) Value of interest in common/collective trusts.....		1c(9)	24386642898661
(10) Value of interest in pooled separate accounts		1c(10)	2426682115772751
(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)	
(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	26975163	18987184

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	26975163	18987184
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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)	415528	
(B) Participants	2a(1)(B)	1738448	
(C) Others (including rollovers)	2a(1)(C)	101469	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2255445
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)	10547	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		10547
(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)		36532
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-4308311
(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)		
c Other income	2c		25
d Total income. Add all income amounts in column (b) and enter total	2d		-2005762
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3252488	
(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)		3252488
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		3537
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	47394	
(2) Contract administrator fees	2i(2)	72488	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		119882
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3375907
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-5381669
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		-2606310

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: **FORVIZ MAZARS, LLP**

(2) EIN: **44-0160260**

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		4424

	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		1000000
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)
SPRUCE TECHNOLOGY, INC.	20-5656502	001

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan 401(K) RETIREMENT SAVINGS PLAN		B Three-digit plan number (PN) ► 333
C Plan sponsor's name as shown on line 2a of Form 5500 PCI STAFF LEASING, INC.		D Employer Identification Number (EIN) 22-3349434
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): 42-0127290		
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 _____



401(k) Retirement Savings Plan

EIN 22-3349434 PN 333

**Independent Auditor's Report, Financial Statements,
and Supplemental Schedules**

December 31, 2022 and 2021



401(k) Retirement Savings Plan
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December 31, 2022 and 2021

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Independent Auditor's Report

Plan Administrator and Plan Participants
401(k) Retirement Savings Plan
Park Ridge, New Jersey

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2022 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

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

Opinion on the 2022 Financial Statements

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

- The amounts and disclosures in the 2022 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 2022 financial statements referred 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 on the 2022 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the 2022 Financial Statements" section of our report. We are required to be independent of the 401(k) Retirement Savings Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2022 Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the 2022 Financial Statements

Except as described in the "Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 Financial Statements" section of our report, our objectives are to obtain reasonable assurance about whether the 2022 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 401(k) Retirement Savings Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 401(k) Retirement Savings Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

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

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

Other Matters

2022 Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2022 and the supplemental schedule of delinquent participant contributions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

Auditor's Report on the 2021 Financial Statements

The 2021 financial statements of the Plan were audited by predecessor auditors. The audit of the Plan's 2021 financial statements was 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), the audit did not extend to any statements or information related to assets held for investment of the Plan by a qualified institution, provided the information is prepared and certified to by the qualified institution in accordance with the 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Their report dated October 17, 2022 expressed an unmodified opinion on those financial statements.

Forvis Mazars, LLP

**Iselin, New Jersey
August 21, 2024**

Federal Employer Identification Number: 44-0160260

401(k) Retirement Savings Plan
Statement of Net Assets Available for Benefits
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments		
Pooled separate accounts	\$ 15,772,751	\$ 24,266,821
Stable Value CCT	<u>2,898,661</u>	<u>2,438,664</u>
Total investments	<u>18,671,412</u>	<u>26,705,485</u>
Receivables		
Notes receivable from participants	251,123	190,081
Participant contributions	55,098	72,467
Employer contribution	<u>9,551</u>	<u>7,130</u>
Total receivables	<u>315,772</u>	<u>269,678</u>
LIABILITIES		
Accrued expenses	<u>-</u>	<u>23,500</u>
Total Liabilities	<u>-</u>	<u>23,500</u>
Net Assets Available for Benefits	<u><u>\$ 18,987,184</u></u>	<u><u>\$ 26,951,663</u></u>

401(k) Retirement Savings Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2022

Additions (reductions) to net assets attributable to:

Investment Loss

Net depreciation in fair value of investments	\$ (4,271,779)
Dividend and other income	25

Total investment loss	(4,271,754)
-----------------------	-------------

Interest on notes receivable from participants	10,547
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Contributions

Participant contributions	1,738,448
Employer contributions	415,528
Rollover contributions	101,469

Total contributions	2,255,445
---------------------	-----------

Total reductions	(2,005,762)
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Deductions from net asset attributable:

Benefits paid to participants	3,252,488
Deemed distributions	3,537
Administrative expenses	119,882

Total Deductions	3,375,907
-------------------------	------------------

Net Decrease	(5,381,669)
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Transfers Out of Plan	(2,606,310)
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Net Assets Available for Benefits, Beginning of Year	26,975,163
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Net Assets Available for Benefits, End of Year	\$ 18,987,184
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Note 1. Description of Plan

The following description of the 401(k) Retirement Saving Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan document for a complete description of the Plan's provisions.

General

The plan is a multiple employer retirement plan provided to those eligible employees who are directly and solely employed by the Controlled Group or employed by Adopting Employer through a co-employment leasing arrangement or client-company arrangement with the Controlled Group. The "Controlled Group" is the following group of companies which are related through a parent-subsidary or brother-sister relationship:

- PCI Staff Leasing, Inc
- Personnel Coordinators, Inc. of Florida
- PCI Staffing, Inc.
- PCI HR Services, LLC
- Consolidated Human Resources, LLC

The Lead Employer (Plan Sponsor or Controlling Member) is PCI Staffing, Inc. The Adopting Employers are those employers who arrange with a PCI Company in a Co-employer leasing or a client-company arrangement.

Matching contributions are determined by each respective Adopting Employer as part of a leasing or client-company arrangement.

The plan was adopted, effective January 1, 1997, and restated April 1, 2012.

Eligibility

An eligible employee if you are employed directly and solely by PCI Staff Leasing, Inc., Personnel Coordinators, Inc. of Florida, PCI Staffing, Inc., or you are employed under a leasing arrangement with PCI Staffing, Inc., Personnel Coordinators, Inc. of Florida, PCI Staffing, Inc., PCI HR Services, LLC as evidenced by the service agreement signed by such Adoption Employer. Or you are employed by a client-company that has engaged the payroll and human resources administration services of Consolidated Human Resources, LLC as evidenced by the service agreement signed by such Adopting Employer. Employees are eligible to participate in the Plan after worked at least three months and are age 21 or older. Participation in the Plan is voluntary.

Contributions

The Plan provides each participant with an opportunity to make elective pre-tax, and Roth contributions to the Plan. Participants may contribute a minimum of 1% to 100% of pre-tax compensation, as defined in the Plan, subject to limitations of the Internal Revenue Code.

The amount of each employer matching contribution for a Participant shall be equal to a percentage (not to exceed 100%) as determined by the Lead Employer or Adopting Employer, of the elective contributions made for themselves. Any employer matching contributions determined by the Lead Employer or Adopting Employer shall be made only for its respective Participants.

Each year, the Lead Employer and Adopting Employers shall determine if they will make a Qualified Nonelective Contribution (QNEC) for its respective Participants.

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

The Plan may accept rollover contributions. Rollover contributions represent distributions received from other "eligible retirement plans" as defined in the IRC Section 401(a)(31)(E). Distributions from other plans are subject to certain conditions to be eligible for rollover into the plan.

Participants Accounts

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions, employer contributions and the earnings thereon. Contributions to the Plan are invested by the trustee as directed by the participants. Each participant may elect from one or more of the investment vehicles offered pursuant to the provisions of the Plan.

Vesting

Participants are immediately and fully vested in their contributions, plus actual earnings thereon. Vesting in the Company's matching contributions plus actual earnings, thereon, is based on a six-year graded vesting schedule in which the Participant is vested 20% after two years of qualified service and then 20% each year thereafter until fully vested.

Notes Receivable from Participants

Participants may borrow a minimum of \$1,000 up to the lesser of \$50,000 reduced by the highest outstanding loan balance incurred during the 12-month period ending on the day before the date on which the loan was made or 50% of their vested account balance. A participant may have more than one loan outstanding. Loan terms range from 1-5 years. Loan repayment terms are not to exceed five years; or twenty years if the loan is for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Notes receivable from participants are repaid through payroll deductions or direct payments to the plan administrator. Participant loans that remain unpaid for more than 90 days after due, the loan will be in default. Upon default the entire principal balance and interest will become immediately due and payable. The outstanding loan will be treated as a "deemed distribution", in which it will be taxable to the participant. The amount of deemed distributions was \$3,537 for the year ended December 31, 2022. As of December 31, 2022, the interest rate on all outstanding notes receivable from participants ranged from 4.25% to 8%.

Benefits

A participants' vested interest in the Plan's assets are distributable generally upon termination, disability, Retirement at age 62 or death. Participants may withdraw from their individual accounts pursuant to specific guidelines as set forth in the Plan document.

Distributions will be made in the form of a single sum cash payment or in installment payments not to exceed the participant's life expectancy. Distributions are also allowed regardless of the above requirements if the participant's vested balance in the plan does not exceed \$5,000 or the participant consents to the distribution, in writing, within the 90-day period ending on the day the distribution is to be made. In these cases, the distribution will be made in the form of a single lump-sum cash payment.

Administrative Expenses

Administrative expenses are included in net appreciation in fair value of investments. Administrative expenses consist of administration of notes receivable, and audit fees. All transaction fees for loan and distribution requests are paid from participants' accounts.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of the Plan's net position and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investments Valuation and Income Recognition

The Plan's investments are stated 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 following is a description of the valuation methodologies used for investments in the Plan. See Note 6 for discussion of fair value measurements.

Pooled Separate Accounts (PSA): Valued at its NAV based on the fair value of its underlying investments. The NAV is used as a practical expedient to estimate fair value.

Principal Stable Value Fund: The Principal Stable Value Fund is a stable value collective investment trust consisting primarily of a diversified portfolio of fully-benefit investment contracts that are valued at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because it represents the amount participants would receive if they were able to initiate permitted transactions under the terms of the plan.

Payment of Benefits

Benefit payments are recorded when paid.

Subsequent Events

The Company has evaluated subsequent events for the Plan through August 21, 2024, the date the financial statements were available for issuance. All subsequent events requiring recognition or disclosure have been incorporated in these financial statements.

Notes Receivable

Notes receivable from Plan members are valued at the outstanding loan balances. Interest income is accrued and included in this balance. If a Plan member ceases to make loan repayments and the Plan administrator deems the Plan members loan to be in default, the Plan members loan balance is reduced, and a benefit payment is recorded.

Note 3. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to amend, alter, terminate the Plan subject to provisions of the ERISA. In the event of the Plan's termination, all participants are entitled to receive their entire interest in the Plan. No Plan assets may revert to the Company.

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

Note 4. Tax Status

The Plan received a determination letter from the Internal Revenue Service dated December 15, 1994. The Plan is designed to be qualified, and the related trust thereby exempt from taxation under the Internal Revenue Code. Although the Plan has been amended since the date of this letter, the Plan Administrator believes that the Plan is currently operated in compliance with applicable law and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt. The Plan has engaged legal counsel to assist the Plan with evaluating and correcting any non-amender failures.

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

Note 5. Information Certified by the Plan's Custodian

The following is a summary of the information regarding the Plan as of December 31, 2022 and for the year the ended December 31, 2022, included in the Plan's financial statements and supplemental schedule, that was prepared or derived from information provided by Principal Life Insurance Company (Principal), the custodian of the Plan, and furnished to the plan administrator. The plan administrator has obtained a certification from the custodian that such information is complete and accurate.

Information relating to investments and notes receivable from participants certified by the custodian at December 31, 2022, is as follows:

Investments - Pooled separate accounts	\$ 15,772,751
Investments - Stable Value CCT	2,898,661
Notes receivable from participants	<u>251,123</u>
	<u>\$ 18,922,535</u>

The following was also certified by the custodian for the year ended December 31, 2022:

Net depreciation in fair value of investments	\$ (4,271,779)
Dividend and other income	25
Interest income on notes receivable from participants	<u>10,547</u>
	<u>\$ (4,261,207)</u>

Note 6. Fair Value Measurements

The Plan's investments are stated 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. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

input that is significant to the fair value measurement. Valuation techniques need to maximize the use of observable inputs and minimize the use of unobservable inputs. Valuation techniques used to measure fair value are defined as follows:

- Level 1** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access
- Level 2** Inputs to the valuation methodology include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; and (d) 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

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:

- **Pooled Separate Investment Accounts:** are measured using the unit value calculated based on the net asset value (NAV) of the underlying pool of securities. The NAV is based on the fair value of the underlying investments held by each fund (typically mutual funds with Level 1 quoted net asset values). The balance of participation units credited to the account, multiplied by the current participation-unit value, equals the amount of equity account assets held on behalf of the participant at any given time. The participation-unit value is adjusted periodically, usually each business day, to reflect investment results under the separate account. Purchases and sales also may occur daily within these accounts. As of December 31, 2022, there were no unfunded commitments. Should the Plan initiate a full redemption on any of the pooled separate investment accounts, the redemption period is immediate.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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 as of December 31, 2022 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments - Pooled separate accounts	\$ 15,772,751	\$ -	\$ -	\$ 15,772,751
Investments - Stable Value CCT	2,898,661	-	-	2,898,661
Total investments at fair value	<u>\$ 18,671,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,671,412</u>

Note 7. Risks and Uncertainties

The Plan's investments are concentrated in funds that invest in various investment securities. Such securities are subject to various risks that determine the value of the funds. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value of these securities, it is at least reasonably possible that changes in market conditions in the near term could materially affect participants' account balances and the value of investments reported in the financial statements.

Supplemental Schedules

401(k) Retirement Savings Plan**EIN 22-3349434 PN 333****Schedule H, Line 4a – Schedule of Delinquent Participant Contributions****Year Ended December 31, 2022**

Participant Contributions Transferred Late to Plan	Total that Constitute Non-Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	
Check here if late participant loan repayments are included: ☒	\$ -	\$ 4,424	\$ -	\$ -

401(k) Retirement Savings Plan
EIN 22-3349434 PN 333
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2022

(a)	(b) Identity of Issue, Borrower Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost (**)	(e) Current Value
Investments at Contract Value -				
Participant Directed				
*	Principal Global Investors Trust Co	Principal Stable Value Fund+		\$ 2,898,661
Investments at Fair Value -				
Participant Directed				
*	Principal Life Insurance Company	Core Plus Bond Separate Acct+		576,424
*	Principal Life Insurance Company	Government & HQ Bond Sep Acct+		382,121
*	Principal Life Insurance Company	Diversified Real Asset SA+		149,242
*	Principal Life Insurance Company	Prin LifeTm Str Inc Sep Acct+		28,668
*	Principal Life Insurance Company	Principal LifeTm 2010 Sep Acct+		196,150
*	Principal Life Insurance Company	Principal LifeTm 2020 Sep Acct+		1,672,739
*	Principal Life Insurance Company	Principal LifeTm 2030 Sep Acct+		1,567,269
*	Principal Life Insurance Company	Principal LifeTm 2040 Sep Acct+		1,460,307
*	Principal Life Insurance Company	Principal LifeTm 2050 Sep Acct+		1,882,246
*	Principal Life Insurance Company	Principal LifeTm 2060 Sep Acct+		129,114
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*	Principal Life Insurance Company	SAM Start Grwth Sep Acct+		196,189
*	Principal Life Insurance Company	Blue Chip Sep Acct+		574,192
*	Principal Life Insurance Company	Captial Appreciation Sep Acct+		951,887
*	Principal Life Insurance Company	LgCap S&P 500 Index Sep Acct+		1,517,332
*	Principal Life Insurance Company	LargeCap Value III Sep Acct+		199,619
*	Principal Life Insurance Company	SmallCap Growth I Sep Acct+		581,248
*	Principal Life Insurance Company	MidCap Value I Separate Acct+		374,744
*	Principal Life Insurance Company	MidCap Separate Acct+		610,547
*	Principal Life Insurance Company	SmallCap Separate Account+		567,530
*	Principal Life Insurance Company	MidCap Growth III Sep Acct+		133,309
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*	Principal Life Insurance Company	Glbl Emerging Mkts Sep Acct+		228,283
		Prin Fin Grp Inc. Stk Sep Acct		13,778
*	Notes receivable from participants	Interest ranging from 4.25% to 8%		251,123
				<u><u>\$ 18,922,535</u></u>

(*) Party-in-interest

(**) Cost data is not required for participant-directed funds



401(k) Retirement Savings Plan

EIN 22-3349434 PN 333

**Independent Auditor's Report, Financial Statements,
and Supplemental Schedules**

December 31, 2022 and 2021



401(k) Retirement Savings Plan
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December 31, 2022 and 2021

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Independent Auditor's Report

Plan Administrator and Plan Participants
401(k) Retirement Savings Plan
Park Ridge, New Jersey

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2022 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

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

Opinion on the 2022 Financial Statements

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

- The amounts and disclosures in the 2022 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 2022 financial statements referred 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 on the 2022 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the 2022 Financial Statements" section of our report. We are required to be independent of the 401(k) Retirement Savings Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2022 Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the 2022 Financial Statements

Except as described in the "Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 Financial Statements" section of our report, our objectives are to obtain reasonable assurance about whether the 2022 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 401(k) Retirement Savings Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 401(k) Retirement Savings Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

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

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

Other Matters

2022 Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2022 and the supplemental schedule of delinquent participant contributions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

Auditor's Report on the 2021 Financial Statements

The 2021 financial statements of the Plan were audited by predecessor auditors. The audit of the Plan's 2021 financial statements was 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), the audit did not extend to any statements or information related to assets held for investment of the Plan by a qualified institution, provided the information is prepared and certified to by the qualified institution in accordance with the 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Their report dated October 17, 2022 expressed an unmodified opinion on those financial statements.

Forvis Mazars, LLP

**Iselin, New Jersey
August 21, 2024**

Federal Employer Identification Number: 44-0160260

401(k) Retirement Savings Plan
Statement of Net Assets Available for Benefits
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments		
Pooled separate accounts	\$ 15,772,751	\$ 24,266,821
Stable Value CCT	<u>2,898,661</u>	<u>2,438,664</u>
Total investments	<u>18,671,412</u>	<u>26,705,485</u>
Receivables		
Notes receivable from participants	251,123	190,081
Participant contributions	55,098	72,467
Employer contribution	<u>9,551</u>	<u>7,130</u>
Total receivables	<u>315,772</u>	<u>269,678</u>
LIABILITIES		
Accrued expenses	<u>-</u>	<u>23,500</u>
Total Liabilities	<u>-</u>	<u>23,500</u>
Net Assets Available for Benefits	<u><u>\$ 18,987,184</u></u>	<u><u>\$ 26,951,663</u></u>

401(k) Retirement Savings Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2022

Additions (reductions) to net assets attributable to:

Investment Loss

Net depreciation in fair value of investments	\$ (4,271,779)
Dividend and other income	25

Total investment loss	(4,271,754)
-----------------------	-------------

Interest on notes receivable from participants	10,547
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Contributions

Participant contributions	1,738,448
Employer contributions	415,528
Rollover contributions	101,469

Total contributions	2,255,445
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Total reductions	(2,005,762)
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Deductions from net asset attributable:

Benefits paid to participants	3,252,488
Deemed distributions	3,537
Administrative expenses	119,882

Total Deductions	3,375,907
-------------------------	------------------

Net Decrease	(5,381,669)
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Transfers Out of Plan	(2,606,310)
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Net Assets Available for Benefits, Beginning of Year	26,975,163
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Net Assets Available for Benefits, End of Year	\$ 18,987,184
---	----------------------

Note 1. Description of Plan

The following description of the 401(k) Retirement Saving Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan document for a complete description of the Plan's provisions.

General

The plan is a multiple employer retirement plan provided to those eligible employees who are directly and solely employed by the Controlled Group or employed by Adopting Employer through a co-employment leasing arrangement or client-company arrangement with the Controlled Group. The "Controlled Group" is the following group of companies which are related through a parent-subsidary or brother-sister relationship:

- PCI Staff Leasing, Inc
- Personnel Coordinators, Inc. of Florida
- PCI Staffing, Inc.
- PCI HR Services, LLC
- Consolidated Human Resources, LLC

The Lead Employer (Plan Sponsor or Controlling Member) is PCI Staffing, Inc. The Adopting Employers are those employers who arrange with a PCI Company in a Co-employer leasing or a client-company arrangement.

Matching contributions are determined by each respective Adopting Employer as part of a leasing or client-company arrangement.

The plan was adopted, effective January 1, 1997, and restated April 1, 2012.

Eligibility

An eligible employee if you are employed directly and solely by PCI Staff Leasing, Inc., Personnel Coordinators, Inc. of Florida, PCI Staffing, Inc., or you are employed under a leasing arrangement with PCI Staffing, Inc., Personnel Coordinators, Inc. of Florida, PCI Staffing, Inc., PCI HR Services, LLC as evidenced by the service agreement signed by such Adoption Employer. Or you are employed by a client-company that has engaged the payroll and human resources administration services of Consolidated Human Resources, LLC as evidenced by the service agreement signed by such Adopting Employer. Employees are eligible to participate in the Plan after worked at least three months and are age 21 or older. Participation in the Plan is voluntary.

Contributions

The Plan provides each participant with an opportunity to make elective pre-tax, and Roth contributions to the Plan. Participants may contribute a minimum of 1% to 100% of pre-tax compensation, as defined in the Plan, subject to limitations of the Internal Revenue Code.

The amount of each employer matching contribution for a Participant shall be equal to a percentage (not to exceed 100%) as determined by the Lead Employer or Adopting Employer, of the elective contributions made for themselves. Any employer matching contributions determined by the Lead Employer or Adopting Employer shall be made only for its respective Participants.

Each year, the Lead Employer and Adopting Employers shall determine if they will make a Qualified Nonelective Contribution (QNEC) for its respective Participants.

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

The Plan may accept rollover contributions. Rollover contributions represent distributions received from other "eligible retirement plans" as defined in the IRC Section 401(a)(31)(E). Distributions from other plans are subject to certain conditions to be eligible for rollover into the plan.

Participants Accounts

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions, employer contributions and the earnings thereon. Contributions to the Plan are invested by the trustee as directed by the participants. Each participant may elect from one or more of the investment vehicles offered pursuant to the provisions of the Plan.

Vesting

Participants are immediately and fully vested in their contributions, plus actual earnings thereon. Vesting in the Company's matching contributions plus actual earnings, thereon, is based on a six-year graded vesting schedule in which the Participant is vested 20% after two years of qualified service and then 20% each year thereafter until fully vested.

Notes Receivable from Participants

Participants may borrow a minimum of \$1,000 up to the lesser of \$50,000 reduced by the highest outstanding loan balance incurred during the 12-month period ending on the day before the date on which the loan was made or 50% of their vested account balance. A participant may have more than one loan outstanding. Loan terms range from 1-5 years. Loan repayment terms are not to exceed five years; or twenty years if the loan is for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Notes receivable from participants are repaid through payroll deductions or direct payments to the plan administrator. Participant loans that remain unpaid for more than 90 days after due, the loan will be in default. Upon default the entire principal balance and interest will become immediately due and payable. The outstanding loan will be treated as a "deemed distribution", in which it will be taxable to the participant. The amount of deemed distributions was \$3,537 for the year ended December 31, 2022. As of December 31, 2022, the interest rate on all outstanding notes receivable from participants ranged from 4.25% to 8%.

Benefits

A participants' vested interest in the Plan's assets are distributable generally upon termination, disability, Retirement at age 62 or death. Participants may withdraw from their individual accounts pursuant to specific guidelines as set forth in the Plan document.

Distributions will be made in the form of a single sum cash payment or in installment payments not to exceed the participant's life expectancy. Distributions are also allowed regardless of the above requirements if the participant's vested balance in the plan does not exceed \$5,000 or the participant consents to the distribution, in writing, within the 90-day period ending on the day the distribution is to be made. In these cases, the distribution will be made in the form of a single lump-sum cash payment.

Administrative Expenses

Administrative expenses are included in net appreciation in fair value of investments. Administrative expenses consist of administration of notes receivable, and audit fees. All transaction fees for loan and distribution requests are paid from participants' accounts.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of the Plan's net position and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investments Valuation and Income Recognition

The Plan's investments are stated 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 following is a description of the valuation methodologies used for investments in the Plan. See Note 6 for discussion of fair value measurements.

Pooled Separate Accounts (PSA): Valued at its NAV based on the fair value of its underlying investments. The NAV is used as a practical expedient to estimate fair value.

Principal Stable Value Fund: The Principal Stable Value Fund is a stable value collective investment trust consisting primarily of a diversified portfolio of fully-benefit investment contracts that are valued at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because it represents the amount participants would receive if they were able to initiate permitted transactions under the terms of the plan.

Payment of Benefits

Benefit payments are recorded when paid.

Subsequent Events

The Company has evaluated subsequent events for the Plan through August 21, 2024, the date the financial statements were available for issuance. All subsequent events requiring recognition or disclosure have been incorporated in these financial statements.

Notes Receivable

Notes receivable from Plan members are valued at the outstanding loan balances. Interest income is accrued and included in this balance. If a Plan member ceases to make loan repayments and the Plan administrator deems the Plan members loan to be in default, the Plan members loan balance is reduced, and a benefit payment is recorded.

Note 3. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to amend, alter, terminate the Plan subject to provisions of the ERISA. In the event of the Plan's termination, all participants are entitled to receive their entire interest in the Plan. No Plan assets may revert to the Company.

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

Note 4. Tax Status

The Plan received a determination letter from the Internal Revenue Service dated December 15, 1994. The Plan is designed to be qualified, and the related trust thereby exempt from taxation under the Internal Revenue Code. Although the Plan has been amended since the date of this letter, the Plan Administrator believes that the Plan is currently operated in compliance with applicable law and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt. The Plan has engaged legal counsel to assist the Plan with evaluating and correcting any non-amender failures.

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

Note 5. Information Certified by the Plan's Custodian

The following is a summary of the information regarding the Plan as of December 31, 2022 and for the year the ended December 31, 2022, included in the Plan's financial statements and supplemental schedule, that was prepared or derived from information provided by Principal Life Insurance Company (Principal), the custodian of the Plan, and furnished to the plan administrator. The plan administrator has obtained a certification from the custodian that such information is complete and accurate.

Information relating to investments and notes receivable from participants certified by the custodian at December 31, 2022, is as follows:

Investments - Pooled separate accounts	\$ 15,772,751
Investments - Stable Value CCT	2,898,661
Notes receivable from participants	<u>251,123</u>
	<u>\$ 18,922,535</u>

The following was also certified by the custodian for the year ended December 31, 2022:

Net depreciation in fair value of investments	\$ (4,271,779)
Dividend and other income	25
Interest income on notes receivable from participants	<u>10,547</u>
	<u>\$ (4,261,207)</u>

Note 6. Fair Value Measurements

The Plan's investments are stated 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. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

input that is significant to the fair value measurement. Valuation techniques need to maximize the use of observable inputs and minimize the use of unobservable inputs. Valuation techniques used to measure fair value are defined as follows:

- Level 1** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access
- Level 2** Inputs to the valuation methodology include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; and (d) 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

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:

- **Pooled Separate Investment Accounts:** are measured using the unit value calculated based on the net asset value (NAV) of the underlying pool of securities. The NAV is based on the fair value of the underlying investments held by each fund (typically mutual funds with Level 1 quoted net asset values). The balance of participation units credited to the account, multiplied by the current participation-unit value, equals the amount of equity account assets held on behalf of the participant at any given time. The participation-unit value is adjusted periodically, usually each business day, to reflect investment results under the separate account. Purchases and sales also may occur daily within these accounts. As of December 31, 2022, there were no unfunded commitments. Should the Plan initiate a full redemption on any of the pooled separate investment accounts, the redemption period is immediate.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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 as of December 31, 2022 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments - Pooled separate accounts	\$ 15,772,751	\$ -	\$ -	\$ 15,772,751
Investments - Stable Value CCT	2,898,661	-	-	2,898,661
Total investments at fair value	<u>\$ 18,671,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,671,412</u>

Note 7. Risks and Uncertainties

The Plan's investments are concentrated in funds that invest in various investment securities. Such securities are subject to various risks that determine the value of the funds. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value of these securities, it is at least reasonably possible that changes in market conditions in the near term could materially affect participants' account balances and the value of investments reported in the financial statements.

Supplemental Schedules

401(k) Retirement Savings Plan**EIN 22-3349434 PN 333****Schedule H, Line 4a – Schedule of Delinquent Participant Contributions****Year Ended December 31, 2022**

Participant Contributions Transferred Late to Plan	Total that Constitute Non-Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	
Check here if late participant loan repayments are included: ☒	\$ -	\$ 4,424	\$ -	\$ -

401(k) Retirement Savings Plan
EIN 22-3349434 PN 333
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2022

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				<u><u>\$ 18,922,535</u></u>

(*) Party-in-interest

(**) Cost data is not required for participant-directed funds



401(k) Retirement Savings Plan

EIN 22-3349434 PN 333

**Independent Auditor's Report, Financial Statements,
and Supplemental Schedules**

December 31, 2022 and 2021



401(k) Retirement Savings Plan
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December 31, 2022 and 2021

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Independent Auditor's Report

Plan Administrator and Plan Participants
401(k) Retirement Savings Plan
Park Ridge, New Jersey

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

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

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2022 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

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

Opinion on the 2022 Financial Statements

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

- The amounts and disclosures in the 2022 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 2022 financial statements referred 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 on the 2022 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the 2022 Financial Statements" section of our report. We are required to be independent of the 401(k) Retirement Savings Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2022 Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the 2022 Financial Statements

Except as described in the "Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2022 Financial Statements" section of our report, our objectives are to obtain reasonable assurance about whether the 2022 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 401(k) Retirement Savings Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 401(k) Retirement Savings Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2022 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

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

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

Other Matters

2022 Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) as of December 31, 2022 and the supplemental schedule of delinquent participant contributions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

Auditor's Report on the 2021 Financial Statements

The 2021 financial statements of the Plan were audited by predecessor auditors. The audit of the Plan's 2021 financial statements was 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), the audit did not extend to any statements or information related to assets held for investment of the Plan by a qualified institution, provided the information is prepared and certified to by the qualified institution in accordance with the 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Their report dated October 17, 2022 expressed an unmodified opinion on those financial statements.

Forvis Mazars, LLP

**Iselin, New Jersey
August 21, 2024**

Federal Employer Identification Number: 44-0160260

401(k) Retirement Savings Plan
Statement of Net Assets Available for Benefits
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Investments		
Pooled separate accounts	\$ 15,772,751	\$ 24,266,821
Stable Value CCT	<u>2,898,661</u>	<u>2,438,664</u>
Total investments	<u>18,671,412</u>	<u>26,705,485</u>
Receivables		
Notes receivable from participants	251,123	190,081
Participant contributions	55,098	72,467
Employer contribution	<u>9,551</u>	<u>7,130</u>
Total receivables	<u>315,772</u>	<u>269,678</u>
LIABILITIES		
Accrued expenses	<u>-</u>	<u>23,500</u>
Total Liabilities	<u>-</u>	<u>23,500</u>
Net Assets Available for Benefits	<u><u>\$ 18,987,184</u></u>	<u><u>\$ 26,951,663</u></u>

401(k) Retirement Savings Plan
Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2022

Additions (reductions) to net assets attributable to:

Investment Loss

Net depreciation in fair value of investments	\$ (4,271,779)
Dividend and other income	25

Total investment loss	(4,271,754)
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Interest on notes receivable from participants	10,547
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Contributions

Participant contributions	1,738,448
Employer contributions	415,528
Rollover contributions	101,469

Total contributions	2,255,445
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Total reductions	(2,005,762)
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Deductions from net asset attributable:

Benefits paid to participants	3,252,488
Deemed distributions	3,537
Administrative expenses	119,882

Total Deductions	3,375,907
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Net Decrease	(5,381,669)
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Transfers Out of Plan	(2,606,310)
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Net Assets Available for Benefits, Beginning of Year	26,975,163
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Net Assets Available for Benefits, End of Year	\$ 18,987,184
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Note 1. Description of Plan

The following description of the 401(k) Retirement Saving Plan (the Plan) is provided for general information purposes only. Participants should refer to the plan document for a complete description of the Plan's provisions.

General

The plan is a multiple employer retirement plan provided to those eligible employees who are directly and solely employed by the Controlled Group or employed by Adopting Employer through a co-employment leasing arrangement or client-company arrangement with the Controlled Group. The "Controlled Group" is the following group of companies which are related through a parent-subsidary or brother-sister relationship:

- PCI Staff Leasing, Inc
- Personnel Coordinators, Inc. of Florida
- PCI Staffing, Inc.
- PCI HR Services, LLC
- Consolidated Human Resources, LLC

The Lead Employer (Plan Sponsor or Controlling Member) is PCI Staffing, Inc. The Adopting Employers are those employers who arrange with a PCI Company in a Co-employer leasing or a client-company arrangement.

Matching contributions are determined by each respective Adopting Employer as part of a leasing or client-company arrangement.

The plan was adopted, effective January 1, 1997, and restated April 1, 2012.

Eligibility

An eligible employee if you are employed directly and solely by PCI Staff Leasing, Inc., Personnel Coordinators, Inc. of Florida, PCI Staffing, Inc., or you are employed under a leasing arrangement with PCI Staffing, Inc., Personnel Coordinators, Inc. of Florida, PCI Staffing, Inc., PCI HR Services, LLC as evidenced by the service agreement signed by such Adoption Employer. Or you are employed by a client-company that has engaged the payroll and human resources administration services of Consolidated Human Resources, LLC as evidenced by the service agreement signed by such Adopting Employer. Employees are eligible to participate in the Plan after worked at least three months and are age 21 or older. Participation in the Plan is voluntary.

Contributions

The Plan provides each participant with an opportunity to make elective pre-tax, and Roth contributions to the Plan. Participants may contribute a minimum of 1% to 100% of pre-tax compensation, as defined in the Plan, subject to limitations of the Internal Revenue Code.

The amount of each employer matching contribution for a Participant shall be equal to a percentage (not to exceed 100%) as determined by the Lead Employer or Adopting Employer, of the elective contributions made for themselves. Any employer matching contributions determined by the Lead Employer or Adopting Employer shall be made only for its respective Participants.

Each year, the Lead Employer and Adopting Employers shall determine if they will make a Qualified Nonelective Contribution (QNEC) for its respective Participants.

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

The Plan may accept rollover contributions. Rollover contributions represent distributions received from other "eligible retirement plans" as defined in the IRC Section 401(a)(31)(E). Distributions from other plans are subject to certain conditions to be eligible for rollover into the plan.

Participants Accounts

Individual accounts are maintained for each participant. Each participant's account is credited with the participant's contributions, employer contributions and the earnings thereon. Contributions to the Plan are invested by the trustee as directed by the participants. Each participant may elect from one or more of the investment vehicles offered pursuant to the provisions of the Plan.

Vesting

Participants are immediately and fully vested in their contributions, plus actual earnings thereon. Vesting in the Company's matching contributions plus actual earnings, thereon, is based on a six-year graded vesting schedule in which the Participant is vested 20% after two years of qualified service and then 20% each year thereafter until fully vested.

Notes Receivable from Participants

Participants may borrow a minimum of \$1,000 up to the lesser of \$50,000 reduced by the highest outstanding loan balance incurred during the 12-month period ending on the day before the date on which the loan was made or 50% of their vested account balance. A participant may have more than one loan outstanding. Loan terms range from 1-5 years. Loan repayment terms are not to exceed five years; or twenty years if the loan is for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan administrator. Notes receivable from participants are repaid through payroll deductions or direct payments to the plan administrator. Participant loans that remain unpaid for more than 90 days after due, the loan will be in default. Upon default the entire principal balance and interest will become immediately due and payable. The outstanding loan will be treated as a "deemed distribution", in which it will be taxable to the participant. The amount of deemed distributions was \$3,537 for the year ended December 31, 2022. As of December 31, 2022, the interest rate on all outstanding notes receivable from participants ranged from 4.25% to 8%.

Benefits

A participants' vested interest in the Plan's assets are distributable generally upon termination, disability, Retirement at age 62 or death. Participants may withdraw from their individual accounts pursuant to specific guidelines as set forth in the Plan document.

Distributions will be made in the form of a single sum cash payment or in installment payments not to exceed the participant's life expectancy. Distributions are also allowed regardless of the above requirements if the participant's vested balance in the plan does not exceed \$5,000 or the participant consents to the distribution, in writing, within the 90-day period ending on the day the distribution is to be made. In these cases, the distribution will be made in the form of a single lump-sum cash payment.

Administrative Expenses

Administrative expenses are included in net appreciation in fair value of investments. Administrative expenses consist of administration of notes receivable, and audit fees. All transaction fees for loan and distribution requests are paid from participants' accounts.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of the Plan's net position and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investments Valuation and Income Recognition

The Plan's investments are stated 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 following is a description of the valuation methodologies used for investments in the Plan. See Note 6 for discussion of fair value measurements.

Pooled Separate Accounts (PSA): Valued at its NAV based on the fair value of its underlying investments. The NAV is used as a practical expedient to estimate fair value.

Principal Stable Value Fund: The Principal Stable Value Fund is a stable value collective investment trust consisting primarily of a diversified portfolio of fully-benefit investment contracts that are valued at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because it represents the amount participants would receive if they were able to initiate permitted transactions under the terms of the plan.

Payment of Benefits

Benefit payments are recorded when paid.

Subsequent Events

The Company has evaluated subsequent events for the Plan through August 21, 2024, the date the financial statements were available for issuance. All subsequent events requiring recognition or disclosure have been incorporated in these financial statements.

Notes Receivable

Notes receivable from Plan members are valued at the outstanding loan balances. Interest income is accrued and included in this balance. If a Plan member ceases to make loan repayments and the Plan administrator deems the Plan members loan to be in default, the Plan members loan balance is reduced, and a benefit payment is recorded.

Note 3. Plan Termination

Although it has not expressed any intent to do so, the Company reserves the right to amend, alter, terminate the Plan subject to provisions of the ERISA. In the event of the Plan's termination, all participants are entitled to receive their entire interest in the Plan. No Plan assets may revert to the Company.

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

Note 4. Tax Status

The Plan received a determination letter from the Internal Revenue Service dated December 15, 1994. The Plan is designed to be qualified, and the related trust thereby exempt from taxation under the Internal Revenue Code. Although the Plan has been amended since the date of this letter, the Plan Administrator believes that the Plan is currently operated in compliance with applicable law and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt. The Plan has engaged legal counsel to assist the Plan with evaluating and correcting any non-amender failures.

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

Note 5. Information Certified by the Plan's Custodian

The following is a summary of the information regarding the Plan as of December 31, 2022 and for the year the ended December 31, 2022, included in the Plan's financial statements and supplemental schedule, that was prepared or derived from information provided by Principal Life Insurance Company (Principal), the custodian of the Plan, and furnished to the plan administrator. The plan administrator has obtained a certification from the custodian that such information is complete and accurate.

Information relating to investments and notes receivable from participants certified by the custodian at December 31, 2022, is as follows:

Investments - Pooled separate accounts	\$ 15,772,751
Investments - Stable Value CCT	2,898,661
Notes receivable from participants	<u>251,123</u>
	<u>\$ 18,922,535</u>

The following was also certified by the custodian for the year ended December 31, 2022:

Net depreciation in fair value of investments	\$ (4,271,779)
Dividend and other income	25
Interest income on notes receivable from participants	<u>10,547</u>
	<u>\$ (4,261,207)</u>

Note 6. Fair Value Measurements

The Plan's investments are stated 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. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any

401(k) Retirement Savings Plan
Notes to Financial Statements
December 31, 2022

input that is significant to the fair value measurement. Valuation techniques need to maximize the use of observable inputs and minimize the use of unobservable inputs. Valuation techniques used to measure fair value are defined as follows:

- Level 1** Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access
- Level 2** Inputs to the valuation methodology include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) inputs other than quoted prices that are observable for the asset or liability; and (d) 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

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:

- **Pooled Separate Investment Accounts:** are measured using the unit value calculated based on the net asset value (NAV) of the underlying pool of securities. The NAV is based on the fair value of the underlying investments held by each fund (typically mutual funds with Level 1 quoted net asset values). The balance of participation units credited to the account, multiplied by the current participation-unit value, equals the amount of equity account assets held on behalf of the participant at any given time. The participation-unit value is adjusted periodically, usually each business day, to reflect investment results under the separate account. Purchases and sales also may occur daily within these accounts. As of December 31, 2022, there were no unfunded commitments. Should the Plan initiate a full redemption on any of the pooled separate investment accounts, the redemption period is immediate.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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 as of December 31, 2022 are as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments - Pooled separate accounts	\$ 15,772,751	\$ -	\$ -	\$ 15,772,751
Investments - Stable Value CCT	2,898,661	-	-	2,898,661
Total investments at fair value	<u>\$ 18,671,412</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,671,412</u>

Note 7. Risks and Uncertainties

The Plan's investments are concentrated in funds that invest in various investment securities. Such securities are subject to various risks that determine the value of the funds. Due to the level of risk associated with these securities and the level of uncertainty related to changes in the value of these securities, it is at least reasonably possible that changes in market conditions in the near term could materially affect participants' account balances and the value of investments reported in the financial statements.

Supplemental Schedules

401(k) Retirement Savings Plan**EIN 22-3349434 PN 333****Schedule H, Line 4a – Schedule of Delinquent Participant Contributions****Year Ended December 31, 2022**

Participant Contributions Transferred Late to Plan	Total that Constitute Non-Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
	Contributions Not Corrected	Contributions Corrected Outside of VFCP	Contributions Pending Correction in VFCP	
Check here if late participant loan repayments are included: ☒	\$ -	\$ 4,424	\$ -	\$ -

401(k) Retirement Savings Plan
EIN 22-3349434 PN 333
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2022

(a)	(b) Identity of Issue, Borrower Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost (**)	(e) Current Value
Investments at Contract Value -				
Participant Directed				
*	Principal Global Investors Trust Co	Principal Stable Value Fund+		\$ 2,898,661
Investments at Fair Value -				
Participant Directed				
*	Principal Life Insurance Company	Core Plus Bond Separate Acct+		576,424
*	Principal Life Insurance Company	Government & HQ Bond Sep Acct+		382,121
*	Principal Life Insurance Company	Diversified Real Asset SA+		149,242
*	Principal Life Insurance Company	Prin LifeTm Str Inc Sep Acct+		28,668
*	Principal Life Insurance Company	Principal LifeTm 2010 Sep Acct+		196,150
*	Principal Life Insurance Company	Principal LifeTm 2020 Sep Acct+		1,672,739
*	Principal Life Insurance Company	Principal LifeTm 2030 Sep Acct+		1,567,269
*	Principal Life Insurance Company	Principal LifeTm 2040 Sep Acct+		1,460,307
*	Principal Life Insurance Company	Principal LifeTm 2050 Sep Acct+		1,882,246
*	Principal Life Insurance Company	Principal LifeTm 2060 Sep Acct+		129,114
*	Principal Life Insurance Company	SAM Balanced Sep Acct+		242,527
*	Principal Life Insurance Company	SAM Conser Bal Sep Acct+		424,783
*	Principal Life Insurance Company	SAM Cons Growth Sep Acct+		315,529
*	Principal Life Insurance Company	SAM Flex Inc Sep Acct+		67,887
*	Principal Life Insurance Company	SAM Start Grwth Sep Acct+		196,189
*	Principal Life Insurance Company	Blue Chip Sep Acct+		574,192
*	Principal Life Insurance Company	Captial Appreciation Sep Acct+		951,887
*	Principal Life Insurance Company	LgCap S&P 500 Index Sep Acct+		1,517,332
*	Principal Life Insurance Company	LargeCap Value III Sep Acct+		199,619
*	Principal Life Insurance Company	SmallCap Growth I Sep Acct+		581,248
*	Principal Life Insurance Company	MidCap Value I Separate Acct+		374,744
*	Principal Life Insurance Company	MidCap Separate Acct+		610,547
*	Principal Life Insurance Company	SmallCap Separate Account+		567,530
*	Principal Life Insurance Company	MidCap Growth III Sep Acct+		133,309
*	Principal Life Insurance Company	SmallCap Value II Sep Acct+		195,966
*	Principal Life Insurance Company	Diversified Intl Sep Acct+		533,121
*	Principal Life Insurance Company	Gibl Emerging Mkts Sep Acct+		228,283
		Prin Fin Grp Inc. Stk Sep Acct		13,778
*	Notes receivable from participants	Interest ranging from 4.25% to 8%		251,123
				<u><u>\$ 18,922,535</u></u>

(*) Party-in-interest

(**) Cost data is not required for participant-directed funds