

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2023

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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.

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan... D Check box if filing under: [X] Form 5558 [] automatic extension... E If this is a retroactively adopted plan...

Part II Basic Plan Information—enter all requested information

1a Name of plan: NATIONAL FUNDING, INC. 401(K) PLAN
1b Three-digit plan number (PN): 001
1c Effective date of plan: 01/01/2005
2a Plan sponsor's name (employer, if for a single-employer plan): NATIONAL FUNDING, INC.
2b Employer Identification Number (EIN): 95-4724281
2c Plan Sponsor's telephone number: 888-733-2383
2d Business code (see instructions): 532400

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

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

Form 5500 (2023) v. 230707

3a Plan administrator's name and address <input checked="" type="checkbox"/> 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	382
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	258
	6a(2)	262
	6b	0
	6c	71
	6d	333
	6e	0
	6f	333
	6g(1)	277
6g(2)	326	
6h	0	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 2E 2F 2G 2J 2K 2S 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input checked="" type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> 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
 - (4) **DCG** (Individual Plan Information) – Number Attached _____
 - (5) **MEP** (Multiple-Employer Retirement Plan Information)

- b General Schedules**
- (1) **H** (Financial Information)
 - (2) **I** (Financial Information – Small Plan)
 - (3) **A** (Insurance Information) – Number Attached 1
 - (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 2023 Form M-1 annual report. If the plan was not required to file the 2023 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

2023

This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning **01/01/2023** and ending **12/31/2023**

A Name of plan NATIONAL FUNDING, INC. 401(K) PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL FUNDING, INC.		D Employer Identification Number (EIN) 95-4724281

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.

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	820183	333	01/01/2023	12/14/2023

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

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 90
---	---

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
SAN DIEGO PENSION CONSULTANTS **9665 CHESAPEAKE DRIVE, STE 201**
SAN DIEGO, CA 92123

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
0	90	REFERRAL/SERVICE FEE	3

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

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

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

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

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

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	0
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	11868316

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 ▶ CUSTODIAL GUARANTEED INTEREST CONTRACT

b Balance at the end of the previous year **7b** 157980

c Additions: (1) Contributions deposited during the year	7c(1)	41163	
(2) Dividends and credits	7c(2)	0	
(3) Interest credited during the year	7c(3)	3116	
(4) Transferred from separate account.....	7c(4)		
(5) Other (specify below)	7c(5)	53977	
▶ CORRECITON, OUTSIDE INVESTMENT TRANSFER			

(6) Total additions **7c(6)** 98256

d Total of balance and additions (add lines **7b** and **7c(6)**) **7d** 256236

e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier	7e(2)	990	
(3) Transferred to separate account.....	7e(3)		
(4) Other (specify below)	7e(4)	72239	
▶ CORRECTION, OUTSIDE INVESTMENT TRANSFER			

(5) Total deductions **7e(5)** 73229

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**) **7f** 183007

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 <input type="checkbox"/> Health (other than dental or vision) | b <input type="checkbox"/> Dental | c <input type="checkbox"/> Vision | d <input type="checkbox"/> Life insurance |
| e <input type="checkbox"/> Temporary disability (accident and sickness) | f <input type="checkbox"/> Long-term disability | g <input type="checkbox"/> Supplemental unemployment | h <input type="checkbox"/> Prescription drug |
| i <input type="checkbox"/> Stop loss (large deductible) | j <input type="checkbox"/> HMO contract | k <input type="checkbox"/> PPO contract | l <input type="checkbox"/> Indemnity contract |
| m <input type="checkbox"/> Other (specify) ▶ | | | |

9 Experience-rated contracts:

a Premiums: (1) Amount received		9a(1)	
(2) Increase (decrease) in amount due but unpaid.....		9a(2)	
(3) Increase (decrease) in unearned premium reserve		9a(3)	
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....		9b(1)	
(2) Increase (decrease) in claim reserves		9b(2)	
(3) Incurred claims (add (1) and (2)).....		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention	9c(1)(H)		0
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> 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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning **01/01/2023** and ending **12/31/2023**

A Name of plan NATIONAL FUNDING, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL FUNDING, INC.	D Employer Identification Number (EIN) 95-4724281	

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

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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)

MERRILL LYNCH PIERCE FENNER & SMITH

13-5674085

(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?
17 27 50	CONSULTANT	39431	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	678	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(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 ADMIN	29098	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

SAN DIEGO PENSION CONSULTANTS

5628 COPLEY DRIVE
SAN DIEGO, CA 92111

(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 99	OTHER SERVICES	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	581	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 <hr/> 2023 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan <u>NATIONAL FUNDING, INC. 401(K) PLAN</u>	B Three-digit plan number (PN)	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>NATIONAL FUNDING, INC.</u>	D Employer Identification Number (EIN) <u>95-4724281</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRINC LGCP S&P 500 INDEX SA-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INSURANCE CO</u>		
c EIN-PN <u>42-0127290-016</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>759671</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRIN SMCAP S&P 600 INDEX SA-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INSURANCE CO</u>		
c EIN-PN <u>42-0127290-028</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>41264</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRINCIPAL MIDCAP S&P 400 IDX SA-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INURANCE CO</u>		
c EIN-PN <u>42-0127290-023</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>56192</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRINCIPAL LIFETIME 2020 SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INSURANCE CO</u>		
c EIN-PN <u>42-0127290-076</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>59800</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRINCIPAL LIFETIME 2030 SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INSURANCE CO</u>		
c EIN-PN <u>42-0127290-077</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>684167</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRINCIPAL LIFETIME 2040 SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INSURANCE CO</u>		
c EIN-PN <u>42-0127290-078</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>1304131</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>PRINCIPAL LIFETIME 2050 SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a):	<u>PRINCIPAL LIFE INSURANCE CO</u>		
c EIN-PN <u>42-0127290-078</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	<u>2451011</u>

a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL STRATEGIC INCOME SA-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
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) 20998
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2025 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-111	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 119866
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2035 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-112	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1087901
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2045 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-113	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3009046
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2055 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-114	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1547255
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2060 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
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) 663571
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2065 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-173	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 54102
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2070 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-179	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8454
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL LIFETIME 2070 SEP ACCT-Z		
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE CO		
c EIN-PN 42-0127290-110	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 888
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)

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A Name of plan NATIONAL FUNDING, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL FUNDING, INC.	D Employer Identification Number (EIN) 95-4724281

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.

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	43805	83700
(2) Participant contributions	1b(2)	364	1041
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	141632	237743
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	8396624	11868316
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	875992	1898276
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	9458417	14089076
Liabilities			
g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
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	9458417	14089076

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)	866303	
(B) Participants	2a(1)(B)	2271771	
(C) Others (including rollovers)	2a(1)(C)	197917	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)		3335991
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)	12807	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		12807
(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)	23717	
(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)		23717
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		2066782
c Other income	2c		603
d Total income. Add all income amounts in column (b) and enter total	2d		5439900

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	712113	
(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)		712113
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		28475
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	3350	
(3) Recordkeeping fees.....	2i(3)	61764	
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)	3539	
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		68653
j Total expenses. Add all expense amounts in column (b) and enter total	2j		809241

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4630659
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

- (1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

- (1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **GATTO, POPE AND WALWICK, LLP**

(2) EIN: **33-2567456**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

- (1) This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
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.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	297756
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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
e Was this plan covered by a fidelity bond?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
l Has the plan failed to provide any benefit when due under the plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
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.	<input type="checkbox"/>	<input type="checkbox"/>	

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

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

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

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

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

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning **01/01/2023** and ending **12/31/2023**

A Name of plan NATIONAL FUNDING, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL FUNDING, INC.	D Employer Identification Number (EIN) 95-4724281	

Part I	Distributions
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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
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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): 01-0233346

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

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: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> 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. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment.....

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

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

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
 Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%
 High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
 0-5 years 5-10 years 10-15 years 15 years or more

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.....

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).
 Design-based safe harbor method
 "Prior year" ADP test
 "Current year" ADP test
 N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q703912A.

NATIONAL FUNDING 401(K) PLAN

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT

YEAR ENDED
DECEMBER 31, 2023

NATIONAL FUNDING 401(K) PLAN

Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Participants
National Funding 401(k) Plan
San Diego, California

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

We have performed an audit of the accompanying financial statements of National Funding 401(k) 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). The financial statements comprise the statement of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of National Funding 401(k) Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's 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 certifications from a qualified institution as of December 31, 2023 and 2022 and for the year ended December 31, 2023, stating that the certified investment information, as described in Note 7 to the financial statements, is complete and accurate.

Opinion on the 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 Financial Statements section:

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



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Basis for Opinion on the 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 Financial Statements section of our report. We are required to be independent of National Funding 401(k) Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 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 National Funding 401(k) Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Funding 401(k) 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 National Funding 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

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

Accordingly, the objective of the 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 Matter

Supplemental Schedules Required by ERISA

The supplemental schedule of assets (held at end of year) at December 31, 2023 and schedule of delinquent participant contributions for the year ended December 31, 2023 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that is agreed to or are derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion –

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

Gatto, Pope & Walwick, LLP

September 17, 2024

NATIONAL FUNDING 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Investments, at fair value		
Pooled separate accounts	\$ 11,868,316	\$ 8,238,644
Mutual funds	1,715,269	875,992
Fixed annuity	<u>183,007</u>	<u>157,980</u>
Total investments, at fair value	13,766,592	9,272,616
Employee contribution receivable	1,041	364
Employer contribution receivable	83,700	43,805
Notes receivable from participants	<u>237,743</u>	<u>141,632</u>
Total assets	14,089,076	9,458,417
LIABILITIES	<u>-</u>	<u>-</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 14,089,076</u></u>	<u><u>\$ 9,458,417</u></u>

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

NATIONAL FUNDING 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2023

Additions

Additions to net assets attributed to:

Contributions:

Participants	\$ 2,271,771
Employer	878,203
Rollovers	<u>186,017</u>
	3,335,991

Interest and dividends 23,717

Interest income on notes receivable from participants 12,807

Other income 603

Net realized and unrealized appreciation in
fair value of investments 2,066,782

Total additions 5,439,900

Deductions

Deductions to net assets attributed to:

Participant distributions	740,588
Administrative expenses	<u>68,653</u>

Total deductions 809,241

Net increase in net assets 4,630,659

Net assets available for benefits:

Beginning of year 9,458,417

End of year \$ 14,089,076

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

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 1 – DESCRIPTION OF PLAN

The following description of the National Funding 401(k) Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions. The Plan’s sponsor is National Funding, Inc. Quick Bridge Funding, LLC and Finova Capital LLC (effective January 1, 2023), who are companies under common control and ownership, are also participating employers in the Plan. The above entities are referred to in these notes as the “Company” or the “Employer.”

General

The Plan was initially adopted on January 1, 2005. The Plan was restated effective May 1, 2015, to comply with Internal Revenue Service (“IRS”) regulations and incorporate changes enacted by other legislation. The Plan was most recently amended and restated effective January 1, 2021, to reduce plan eligibility to sixty days, to limit notes receivable from participants to two outstanding at any time, and to add Quick Bridge Funding, LLC 401(k) Plan (“Quick Bridge”) to the Plan as a participating employer. Quick Bridge is a wholly owned subsidiary of National Funding, Inc.

The Plan is a defined contribution plan covering substantially all employees of the Company. In order to be eligible to participate in the Plan, the participant must be at least 21 years of age and complete sixty days of employment. An eligible employee may enter the Plan on the first day of the month after meeting the eligibility requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

The Plan includes a provision for automatic enrollment if a participant doesn’t opt out in the amount of 4% of compensation and includes a 1% automatic increase on January 1st of each year after enrollment up to a maximum of 8%.

Participants direct the investment of their pre-tax or Roth contributions and Employer contributions, if any, into various investment options offered by the Plan.

Participant Accounts

Each participant’s account is credited with the participant’s contributions and allocations of any Company contributions and Plan earnings (net of administrative fees). Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account balance.

Participant Contributions

Participants may elect to make salary deferral contributions to the Plan up to 100% of their annual compensation up to the annual limit (\$22,500 in 2023) established by the IRS. Participants who are 50 or over at the end of the calendar year can make annual catch-up contributions in addition to the above, up to the maximum amount allowed by the IRS (\$7,500 in 2023).

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 1 – DESCRIPTION OF PLAN (CONTINUED)

Rollover Contributions

The Plan allows for participants in a former employer's qualified plan to contribute direct rollovers to this Plan.

Matching Contributions

The Plan allows for the Company to make matching contributions equal to a discretionary percentage of a participant's salary deferrals, which the Company will determine each year. The Company made discretionary matching contributions to the Plan equal to 50% of participant deferrals up to 6% for the year ended December 31, 2023 and 33% of participant deferrals up to 6% for the year ended December 31, 2022. The Company's accrued matching contributions totaled \$83,700 and \$43,805 at December 31, 2023 and 2022, respectively. These amounts were paid to the Plan in 2024 and 2023, respectively.

Profit Sharing Contributions

The Plan allows for the Company to make profit sharing contributions to all eligible employees at the Company's discretion. Employees are eligible for the profit-sharing contributions if they are employed on the last day of the Plan year and have completed one year (1,000 service hours in a 12-month period) of service. The Company did not make any profit sharing contributions to the Plan for the years ended December 31, 2023 and 2022.

Vesting

Participants are immediately fully vested in their contributions, employer matching contributions, employer profit sharing contributions, and the earnings and appreciation or depreciation thereon.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of the value of the participant's vested account balance on the loan date. Loan terms range from 1-5 years or up to 30 years for the purchase a primary residence. The loans are secured by the balance in the participant's account and bear interest at the prime rate on the first business day of each month, plus 1% per annum, which is commensurate with local prevailing rates as determined by the plan administrator. Principal and interest is paid ratably through payroll deductions. Participant can have up to two loans outstanding at any time.

Forfeited Accounts

Forfeitures of employer match due to corrective distributions can be used to pay Plan expenses or to reduce future employer contributions. Forfeitures used to reduce employer contributions during the year ended December 31, 2023 totaled \$14,923. There was a forfeiture balance of \$4,074 and \$7,272 at December 31, 2023 and 2022, respectively.

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 1 – DESCRIPTION OF PLAN (CONTINUED)

Payment of Benefits

Upon termination of service, death, disability or retirement, a participant (or participant's beneficiary in the event of death) may elect to receive a lump-sum distribution equal to the participant's vested account balance or annual installments over any period not exceeding the lesser of 10 years or the life expectancy of the participant. For terminated participant's vested account balances that are less than \$5,000, the plan administrator may distribute the entire amount in a lump sum without the participant's consent if they do not receive distribution instructions from the participant. For terminated participant account balances between \$1,000 and \$5,000, the plan administrator may automatically rollover the balance into an individual retirement account if they do not receive distribution instructions from the participant. For terminated participants' account balances that are less than \$1,000, the plan administrator may distribute the entire amount in a lump sum without the participant's consent. Hardship distributions are also permitted from the participant's deferral account.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Accounting Standards Codification

The Financial Accounting Standards Board's ("FASB") Accounting Standards Codification™ ("Codification") is the official source of authoritative, nongovernmental accounting principles generally accepted in the United States of America. The Codification is organized by overall topic which is at times referenced in the accompanying notes to the financial statements.

Investment Valuation and Income Recognition

The Plan's investments have been stated at fair value as determined by the Custodian. Quoted market prices are used to value investments at fair value. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year end based on quoted market prices. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net unrealized and realized appreciation/depreciation in fair value includes the Plan's gains and losses on investments bought and sold during the year as well as held at year end. See Note 8 for a discussion of fair value measurements.

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition (Continued)

Accounting Standard Update (“ASU”) No. 2015-07, Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent), removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU No. 2015-07 additionally removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient (see Note 8).

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. No allowance for credit losses has been recorded as of December 31, 2023 and 2022. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced, and a distribution is recorded.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

All expenses incident to the administration, termination, or protection of the Plan, including, but not limited to, legal, accounting, and Custodian fees, shall be paid by the Company or, if not paid by the Company, shall be paid by the plan administrator from the Plan assets. Most of the administrative expenses of the Plan were paid by the Company during the year ended December 31, 2023. In addition, the Company provides administrative services at no cost to the Plan.

Subsequent Events

The Company has evaluated subsequent events through September 17, 2024, which is the date these financial statements were available to be issued. All subsequent events requiring recognition or disclosure have been incorporated into these financial statements.

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 3 – PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in any unvested Employer contributions in their account.

NOTE 4 – RELATED PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds held and managed by Principal Life Insurance Company. Principal Life Insurance Company is the Custodian as defined by the Plan and therefore, they are considered a party-in-interest. Investment fees paid by the Plan to the Custodian are not separately stated and are included as a component of net realized and unrealized appreciation/depreciation in fair value of investments in the accompanying statement of changes in net assets available for benefits. Contract administrative and recordkeeping fees paid by the Plan to the Custodian totaled \$29,098 for the year ended December 31, 2023.

NOTE 5 – RISKS AND UNCERTAINTIES

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

NOTE 6 – TAX STATUS

The Plan uses a prototype non-standard profit-sharing plan which the IRS has determined and informed the Company by letter dated June 20, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). Although the Plan has been amended since receiving the determination letter to comply with more recent pension laws and regulations, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRS and therefore believe that the Plan is qualified, and the related trust is tax-exempt.

The Plan is subject to routine audits by tax jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 7 – INFORMATION CERTIFIED BY THE CUSTODIAN

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the U.S. Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Custodian, Principal Life Insurance Company, has certified to the completeness and accuracy of all investments and notes receivable from participants and related investment activity in the accompanying statements of net assets available for benefits at December 31, 2023 and 2022, the statement of changes in net assets available for benefits for the year ended December 31, 2023, and the supplemental schedule of assets (held at end of year) as of December 31, 2023.

NOTE 8 – FAIR VALUE MEASUREMENTS

The "Fair Value Measurements" topic of the Codification establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs.

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

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 8 – FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no significant changes in the methodologies used during the years ended December 31, 2023 and 2022.

Pooled separate accounts: Valued at the net asset value (“NAV”) of the underlying mutual funds or equity securities held in each account at year end based on quoted market prices in active markets. Separate accounts that have invested in fixed maturity securities are measured based on the pricing data provided by outside valuation service providers who in turn generally use the mean of bid and ask prices but may also use alternative observable pricing inputs for certain securities.

Mutual funds: Valued at the NAV of shares held by the Plan at year end based on quoted market prices in active markets.

Fixed annuity: This account invests in the Principal Fixed Income Guaranteed Option which is a general account product of Principal Life Insurance Company. Participants’ principal and interest are fully guaranteed by the entire general account assets of Principal Life Insurance Company. The fund is fully benefit-responsive and is valued at the daily net asset value published by Principal Life Insurance Company at a stable \$1.00 per unit, which is effectively the contract value and approximates fair value.

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

The following table sets forth by level, within the fair value hierarchy, the Plan’s investments at fair value as of December 31, 2023:

	Investments at Fair Value	
	Level 1	Total
Assets in the fair value hierarchy		
Pooled separate accounts	\$ 11,868,316	\$ 11,868,316
Mutual funds	1,715,269	1,715,269
Total assets in the fair value hierarchy	13,583,585	13,583,585
Assets measured at net asset value		
Fixed annuity	-	183,007
Total investments, at fair value	\$ 13,583,585	\$ 13,766,592

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 8 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2022:

	Investments at Fair Value	
	Level 1	Total
Assets in the fair value hierarchy		
Pooled separate accounts	\$ 8,238,644	\$ 8,238,644
Mutual funds	875,992	875,992
Total assets in the fair value hierarchy	9,114,636	9,114,636
Assets measured at net asset value		
Fixed annuity	-	157,980
Total investments, at fair value	\$ 9,114,636	\$ 9,272,616

NOTE 9 – FIXED ANNUITY

The Plan has a fully benefit responsive fixed annuity contract with Principal Life Insurance Company. Principal Life Insurance Company maintains the contributions in a general account. The account is credited with earnings on the underlying investments and is charged for participant withdrawals and administrative expenses. The fixed annuity fund issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed by the Plan. The contract is included in the financial statements at contract value, which is substantially the same as fair value, as reported to the Plan by Principal Life Insurance Company. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. There are no reserves against contract value for credit risk of the contract issuer or otherwise.

Certain events can limit the ability of the Plan to transact at contract value with the issuer. Such events include (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan), (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the Plan sponsor or other plan sponsor events that cause a significant withdrawal from the plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator believes that any event that would limit the Plan's ability to transact at contract value with participants are not probable of occurring. The fixed annuity does not permit Principal Life Insurance Company to terminate the agreement prior to the scheduled maturity date.

NATIONAL FUNDING 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2023 and 2022

NOTE 10 – CARES ACT, SECURE ACT, AND SECURE ACT 2.0

CARES Act and SECURE Act

The Plan has implemented certain sections of the Coronavirus Aid, Relief and Economic Security Act ("Cares Act") which was signed into law on March 27, 2020 and the Setting Every Community Up for Retirement Enhancement Act of 2019 (the "Secure Act"), which provides for expanded distribution options, favorable tax treatment for up to \$100,000 of coronavirus related distributions from eligible retirement plans, relief to certain eligible individuals to receive coronavirus related relief for loan repayments, the suspension of required minimum distributions, and the delay of the commencement date for required minimum distributions. Written amendments to the Plan to reflect any operational changes for the above will be adopted in accordance with applicable law and IRS guidance.

SECURE Act 2.0

On December 29, 2022, the President of the United States signed the Setting Every Community Up for Retirement Enhancement Act 2.0 (the "Secure Act 2.0") into law. The Secure Act 2.0 will introduce several provisions intended to improve retirement outcomes, such as increased catch-up contributions, required automatic 401(k) enrollment, allowance of emergency distributions, etc. Some of these provisions became effective for the 2023 plan year (i.e., increased required minimum distribution age to 73, etc.) and others will become effective as of January 1, 2024 (i.e., treatment of student loan payments as elective deferrals for purposes of matching contributions, etc.) and through the 2027 plan year (i.e., 50% tax credit for low-income retirement savers, etc.). The Plan is currently evaluating the Secure Act 2.0 and plans to adopt its provisions as they become effective. Written amendments to the Plan to reflect any operational changes will be adopted in accordance with applicable law and IRS guidance.

NATIONAL FUNDING 401(K) PLAN

ID# 95-4724281 - PLAN #001

SCHEDULE H, LINE 4a - SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

Year Ended December 31, 2023

Total That Constitute Nonexempt
Prohibited Transactions

Participant Contributions Transferred Late to Plan	Check Here If Late Participant Loan Repayments Are Included	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
<u>\$ 297,756</u>	<u>✓</u>	<u>\$ 144,257</u>	<u>\$ 153,499</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditor's report.

NATIONAL FUNDING 401(K) PLAN

ID# 95-4724281 - PLAN #001

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

December 31, 2023

(a) Party- in- interest	(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
*	Principal Life Insurance Company	LifeTime 2045 Sep Acct-Z	**	\$ 3,009,046
*	Principal Life Insurance Company	LifeTime 2050 Sep Acct-Z	**	\$ 2,451,011
*	Principal Life Insurance Company	LifeTime 2055 Sep Acct-Z	**	\$ 1,547,255
*	Principal Life Insurance Company	LifeTime 2040 Sep Acct-Z	**	\$ 1,304,131
*	Principal Life Insurance Company	LifeTime 2035 Sep Acct-Z	**	\$ 1,087,901
*	Principal Life Insurance Company	Large Cap S&P 500 Index SA-Z	**	\$ 759,671
*	Principal Life Insurance Company	LifeTime 2030 Sep Acct-Z	**	\$ 684,167
*	Principal Life Insurance Company	LifeTime 2060 Sep Acct-Z	**	\$ 663,571
	Vanguard	Growth Index Adm Fund	**	\$ 456,873
	Vanguard	Value Index Adm Fund	**	\$ 264,103
*	Principal Life Insurance Company	Fixed Income Guaranteed Option	**	\$ 183,007
	Vanguard	Mid Cap Growth Index Adm Fund	**	\$ 153,858
	Vanguard	International Growth Adm Fund	**	\$ 121,520
*	Principal Life Insurance Company	LifeTime 2025 Sep Acct-Z	**	\$ 119,866
	Vanguard	Small Cap Growth Index Adm Fund	**	\$ 110,258
	Vanguard	Emerging Market Stk Index Adm Fund	**	\$ 97,109
	American Funds	New Prospect R6 Fund	**	\$ 72,858
	Vanguard	Small Cap Value Index Adm Fund	**	\$ 62,894
*	Principal Life Insurance Company	LifeTime 2020 Sep Acct-Z	**	\$ 59,800
	Vanguard	Hi-Yield Corp Adm Fund	**	\$ 57,383
	Vanguard	International Value Inv Fund	**	\$ 57,122
*	Principal Life Insurance Company	Mid Cap S&P 400 Index SA-Z	**	\$ 56,192
	Vanguard	Global Equity Inv Fund	**	\$ 55,488
*	Principal Life Insurance Company	LifeTime 2065 Sep Acct-Z	**	\$ 54,102
*	Principal Life Insurance Company	Small Cap S&P 600 Index SA-Z	**	\$ 41,264
	American Century	Ultra R6 Fund	**	\$ 31,527
	Vanguard	Mid Cap Value Index Adm Fund	**	\$ 30,051
	Hartford	Total Return R6 Fund	**	\$ 28,060
	Vanguard	FTSE A-Wld Ex-US SC Index Adm	**	\$ 25,077
	American Funds	Amermut R6 Fund	**	\$ 23,073
	Vanguard	Total Bond Market Index Adm Fund	**	\$ 22,485
*	Principal Life Insurance Company	LifeTime Strategic Income SA-Z	**	\$ 20,998
	MFS	Mid Cap Value R6 Fund	**	\$ 14,273
	Vanguard	Total International Bond Index Adm Fund	**	\$ 14,097
	Hartford	Core Equity R6 Fund	**	\$ 13,550
*	Principal Life Insurance Company	LifeTime 2070 Sep Acct-Z	**	\$ 8,454
	Vanguard	Inflation-Protected Securities Adm Fund	**	\$ 3,609
*	Principal Life Insurance Company	LifeTime 2015 Sep Acct-Z	**	\$ 888
*	Notes Receivable from Participants	Interest from 4.25% - 9.00% secured by vested balance, due various dates through February 2045.		\$ 237,743
				<u>\$ 14,004,335</u>

* Represents a party-in-interest to the Plan.

** Investments are participant directed, thus cost information is not required.

See independent auditor's report.