

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan DLC MANAGEMENT 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 01/01/2001
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) DLC MANAGEMENT CORPORATION 565 TAXTER ROAD ELSMFORD, NY 10523
2b	Employer Identification Number (EIN) 13-3618297
2c	Plan Sponsor's telephone number 914-631-3131
2d	Business code (see instructions) 531310

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2024	MARILYN ZENGOTITA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	153
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	111
a(2) Total number of active participants at the end of the plan year		6a(2)	108
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	50
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	158
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	158
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	130
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	13
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: 2T 3D 2R 2E 2F 2G 2J 2K			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan DLC MANAGEMENT 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 DLC MANAGEMENT CORPORATION	D Employer Identification Number (EIN) 13-3618297	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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

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

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

SHRK, CPA'S LLC

90-0436485

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT/AUDITOR	26500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
37 60 64 65	RECORDKEEPER	6625	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.
COL ACORN I - COLUMBIA MGT INVESTM	14785 PRESTON ROAD, SUITE 1000 DALLAS, TX 75254	0.40%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.
LOOMIS SM CAP VAL R - DST ASSET MA	430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.40%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.
NORTHERN SM CAP VAL - THE NORTHERN	50 SOUTH LASALLE STREET CHICAGO, IL 60603	0.40%

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
NORTHERN SM CAP VAL - THE NORTHERN 50 SOUTH LASALLE STREET CHICAGO, IL 60603	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
WA INFL IDX PL BD I - BNY MELLON I 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
3RD AV VALUE IS - BNY MELLON INVES 301 BELLEVUE PARKWAY WILMINGTON, DE 19809	0.40%	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>DLC MANAGEMENT 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DLC MANAGEMENT CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3618297</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	582799	428875
(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)	108917	145523
(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)	142467	122783
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(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)	7125343	8151502
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other.....	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(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	7959526	8848683

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	7959526	8848683
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	154341	
(B) Participants	2a(1)(B)	745263	
(C) Others (including rollovers).....	2a(1)(C)	117240	
(2) Noncash contributions.....	2a(2)	0	1016844
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	208	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	11340	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		11548
(2) Dividends: (A) Preferred stock.....	2b(2)(A)	0	684502
(B) Common stock	2b(2)(B)	163	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	684339	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		684502
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	82362	14959
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	67403	
(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)	0	-68960
(B) Other	2b(5)(B)	-68960	
(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)		0
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		409746
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total.....	2d		2068639
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1146357	
(2) To insurance carriers for the provision of benefits.....	2e(2)	0	
(3) Other.....	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1146357
f Corrective distributions (see instructions).....	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		0
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other.....	2i(4)	33125	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		33125
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1179482
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		889157
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		0

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: SECENDORF HASSON & REILLY

(2) EIN: 90-0436485

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

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

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>DLC MANAGEMENT 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DLC MANAGEMENT CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3618297</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
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): <u>04-6568107</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

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

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

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

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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

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

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation _____

DLC MANAGEMENT 401(K) PLAN
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

Seckendorf, Hasson, Reilly & Kobay CPA's, LLC
Certified Public Accountants

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SECKENDORF HASSON REILLY & KOBAY CPA'S, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
DLC Management 401(k) Plan

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

We have performed an audit of the financial statements of DLC Management 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) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- the amounts and disclosures in the accompanying 2021 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 accompanying 2021 financial statements related to assets held by6 and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our 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 2021 Financial Statements section of our report. We are required to be independent of DLC Management 401(k) Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

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

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

Auditor's 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 of 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule of Assets held for Investment Purposes and Schedule of Self-Directed Brokerage Account as of or for the year ended December 31, 2021, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion

- the form and content of the supplemental schedules, other than the information in the supplemental 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).

Emphasis of Matter - Restatement

As discussed in Note 11 to the financial statements, the financial statements as of December 31, 2021 and for the year ended December 31, 2021 have been restated to accurately report the reconciliation of the financial statements to form 5500. Our opinion is not modified with respect to this matter.

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of DLC Management 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 30, 2022, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



Seckendorf, Hasson Reilly & Kobay CPA's, LLC

Lake Success, New York

November 15, 2022

July 20, 2023

DLC MANAGEMENT
401(k) Plan
Statements of Net Assets Available for Benefits
As of December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at Fair Market Value	\$ 8,297,025	\$ 7,234,261
Notes Receivable from Participants	122,783	142,467
Employer Contribution Receivable	1,389	9,755
Cash and Cash Equivalents	428,875	582,798
Total Assets:	<u>8,850,072</u>	<u>7,969,281</u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 8,850,072</u></u>	 <u><u>\$ 7,969,281</u></u>

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

DLC MANAGEMENT
401 (k) Plan
Statement of Changes in Net Assets Available for Benefits
For the Year ended December 31, 2021

Additions to net assets attributed to:	
Investment Income :	
Net appreciation in fair value of investments	\$ 355,745
Dividends and interest income	684,710
Total investment income	<u>1,040,455</u>
Interest income on participant notes	<u>11,340</u>
Contributions:	
Participants	745,263
Employer	145,975
Rollovers	117,240
Total Contributions	<u>1,008,478</u>
Total additions	<u>2,060,273</u>
Deductions from net assets attributed to:	
Benefits paid to participants	1,146,357
Administrative Expenses	33,125
Total deductions	<u>1,179,482</u>
NET INCREASE IN NET ASSETS	<u>880,791</u>
Net assets available for plan benefits	
Beginning of Year	<u>\$ 7,969,281</u>
End of Year	<u><u>\$ 8,850,072</u></u>

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

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 1: DESCRIPTION OF PLAN

General

The following description of the DLC Management 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 current provisions.

The Plan is a defined contribution plan that was established on January 1, 2001 by DLC Management (the Company) covering all employees of the Company. All employees, except those who may be covered under a collective bargaining agreement, are eligible to make elective deferral contributions, and are eligible for employer matching contributions. Employees hired are automatically enrolled in the plan as of the first day of each month. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The plan was amended and restated effective September 20, 2021 to comply with recent updates in regulatory requirements.

Administration

The company has contracted with Fidelity Workplace Services LLC to act as trustee, custodian and to process and maintain the records of participant data.

Eligibility

All employees that are not a resident of Puerto Rico, not covered by a collective bargaining agreement, and are not a nonresident alien with no income from a U.S. source, as defined in the Plan agreement, are eligible to participate in the plan and can enter into the plan on the first day of each plan year month.

On August 27, 2021, the plan was amended for participant eligibility requirements. A participant shall only be entitled to receive nonelective employer contributions for a plan year if the participant is an active participant during the Plan Year and either earns at least 501 hours of service during the plan year or is employed by the employer or a related employer on the last day of the plan year.

Participant Contributions

Each year participants may contribute a portion of their annual compensation, as defined in the Plan limited to the maximum (\$19,500 under 50 and \$26,000 over 50 for 2021) permitted by the Internal Revenue Code. Participants may designate all or a portion of their contributions as a Roth elective deferral. Participants may also contribute amounts representing distributions from other qualified plans, if certain requirements are met. All participants who have attained the age of 50 may make catch up contributions to the plan. The plan does not allow rollovers of designated Roth contributions.

Tax laws limit the amount of compensation that may be taken into account each plan year, the maximum amount for the 2021 plan year is \$290,000. Federal law requires that amounts contributed by the participant or the employer for a given limitation may not exceed the lower of \$57,000 or 100% of your annual compensation.

A participant may change or revoke his salary reduction agreement as of each entry date. All amounts contributed to the Plan are directly invested in the participant accounts according to their investment elections. Participants may direct their investments and employer matching contribution by choosing from various investment options offered by the trustees.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 1: DESCRIPTION OF PLAN (Continued)

Employer Contributions

The employer may make a basic matching employer contribution on behalf of each eligible participant in an amount equal to the percentage declared for the contribution period limited to 75% of their compensation, if any, by a board of directors' resolution of the deferral contributions made by each participant during the contribution period.

Participants eligible for catch up contributions are permitted to contribute in excess of the specified deferral limit up to 100% of the participant's affectively available compensation.

Discretionary employer qualified non elective contributions may be made for each plan year in an amount determined by the employer for all eligible participants. The voluntary employee contribution with employer match is equal to 50% of employee's contribution up to 4% of base salary. The participation begins immediately upon the participants' start date.

Participant Accounts

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

Vesting

Participants are immediately 100% vested in their Rollover Contributions, Qualified Matching Contributions, Qualified Non-elective Contributions, Deferral Contributions and any earnings thereon. The Employer Matching Contributions and Employer Non-elective Contributions and any earnings thereon, is 0% vested until one year of service, increasing each year incrementally by 20% and is 100% vested after five years of credited service.

Investments

Upon enrollment in the Plan, Participants may direct the investment of all of their accounts. It is intended that the plan meets the requirements of ERISA section 404(c) by providing the participants with sufficient information for them to make informed investment choices. Participants may change their investment options at any time. The value of each of the accounts is established as of the valuation date under the plan and the valuation date is daily. With respect to those Participant Accounts for which Investment Fiduciary investment direction is elected, the Investment Fiduciary shall direct the Trustee with respect to the investment and reinvestment of assets in the Permissible Investments. With respect to those Participant Accounts for which Participant investment direction is elected, each Participant shall direct the investment of his Account among the Permissible Investments.

Withdrawals

Participants who attain the age of 59 ½ may withdraw all or a portion of their vested account balance while still employed. Participants, after attaining the age of 70 ½ may receive distributions calculated in the same manner as minimum required distribution. Any balance resulting from rollover contributions may be withdrawn as well. Financial hardship withdrawals are limited to the amount of the participant's elective deferral contributions (but none of the income earned on such contributions). Hardship withdrawals are limited and are subject to federal rules.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 1: DESCRIPTION OF PLAN (Continued)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of the participants vested account balance reduced by their highest outstanding loan balance in their account during the prior 12 month period, whichever is less. The loans are secured by up to 50% of the participants account balance and bear interest at a rate reasonable at the time of application, considering the purpose of the loan and the rate being charged by representative commercial banks in the local area for a similar loan. The loan agreement shall provide for the payment of principal and interest not less frequently than quarterly. All loans must be repaid within five years except for purchase of principle residence which may not exceed a ten year period. Participants may have only one loan outstanding at any given time. For loans qualifying under the Disaster Relief Act, TCJA, and the BBA, the dollar limit in may be increased to \$100,000 and the portion of the participants vested account balance that may be used is 100%.

Payment of Benefits

Distributions from the plan may only be made after specific events have occurred. Participants are eligible for a distribution upon termination of employment, death, disability, or retirement, and are paid in accordance with the Plan provisions. Participants may be eligible to receive distributions in the case of financial hardships predicated on certain conditions. A participant who withdraws funds due to hardship is not permitted to make any elective deferrals for at least six months after their receipt of the hardship distribution.

Participants are allowed to receive in-service distributions upon attaining age 59 ½. The Plan allows a distribution of their vested account balance if it does not exceed \$5,000, regardless of whether the participant consents to receive it upon termination before normal retirement age. If the participants terminate employment with the employer after normal retirement age, the plan will distribute their account without their consent.

On September 23, 2019, the IRS published final regulations amending the rules governing hardship distributions from 401(k) and 403(b) plans pursuant to changes contained in the Bipartisan Budget Act of 2018 (Act). The IRS' final regulations make the following key changes: (1) requiring plans to eliminate the six-month suspension of contributions following a hardship distribution made on or after January 1, 2020; (2) permitting plans to eliminate the requirement that participants obtain all available plan loans prior to receiving a hardship distribution; (3) expanding the types of contribution sources available for hardship distributions; (4) adding a new type of safe harbor hardship expense for losses relating to a federally-declared disaster; and (5) updating the administrative process required to document that the distribution is necessary to meet the financial need

Forfeitures

Forfeitures are retained in the Plan and may first be used to pay administrative expenses. Any remaining amounts will be used to reduce future Employer matching contributions the employer makes to the Plan. As of December 31, 2021, and 2020, forfeitures of \$42,403.92 and \$46,391 respectively were available to reduce the Plan's administrative expenses and future employer contributions.

Administrative Expenses

The cost of administering the Plan other than individual account service charges are paid by the Plan reducing the forfeiture account balance. Loan set up fees and other sundry fees are charged directly to the participants' account and are included in administrative expenses. The current year fee totaled \$33,125.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Estimates

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

Investment Valuation and Income Recognition as Determined by Fidelity Workplace Services LLC

Investments of the plan are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 9 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year. The plan presents in its statements of changes in net assets available for benefits the net appreciation in the fair value of its investments which consists of only realized gains.

Payment of Benefits

Benefits are recorded when paid.

NOTE 3: RISKS AND UNCERTAINTIES

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

NOTE 4: UNAUDITED FINANCIAL INFORMATION CERTIFIED BY FIDELITY WORKPLACE SERVICES LLC

Supplemental schedules are attached following the notes representing investments at December 31, 2021 of the Plan at fair value which was furnished to the Plan administrator by Fidelity Workplace Services LLC.

NOTE 5: TAX STATUS

The Internal Revenue Service has determined in a letter dated June 30, 2020, that the plan document was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). Although the Plan document has been amended since receiving the opinion letter, the Plan Administrator believes that the Plan and related trust are designed, and are currently being operated, in compliance with applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the various taxing authorities and government agencies. The Plan Administrator has analyzed the tax position taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, the Plan was not audited since inception and there are currently no audits for any tax periods in progress.

NOTE 6: NON-DISCRIMINATION

The Internal Revenue Code requires that a Qualification Test be performed to assure that employee deferrals do not discriminate in favor of highly compensated employees.

NOTE 7: RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds or money market funds managed by Fidelity Investments Institutional Operations Company, Inc. which is a related entity to Fidelity Workplace Services LLC, the Trustee, and therefore, these mutual fund and money market fund transactions qualify as party-in-interest transactions. Notes receivable from participant are also party-in-interest transaction.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to amend or terminate the Plan at any time, subject to the provisions of ERISA. In the event that the Plan is terminated in the future, participants would become fully vested in their accounts.

NOTE 9: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the 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 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 - Inputs to the valuation methodology include: 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 assets or liabilities; inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021**

NOTE 9: FAIR VALUE MEASUREMENTS (Continued)

The asset 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.

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

Mutual funds:

Valued at the net asset value (NAV) of shares held by the Plan at year end based upon quoted market prices determined in an active market.

Common stocks:

Valued at the closing price reported on the active market on which the individual securities are traded.

Assets at Fair Value as of December 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$8,151,502	\$	\$	\$8,151,502
Common stocks & bonds	<u>145,523</u>	<u>-</u>	<u>-</u>	<u>145,523</u>
Net Investments at Fair Market Value	8,297,025	-	-	8,297,025
Cash and Cash Equivalents	<u>428,875</u>	<u>-</u>	<u>-</u>	<u>428,875</u>
Total Assets at Fair Value	<u><u>\$8,725,900</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$8,725,900</u></u>

Assets at Fair Value as of December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$7,125,344	\$	\$	\$7,125,344
Common stocks & bonds	<u>108,917</u>	<u>-</u>	<u>-</u>	<u>108,917</u>
Net Investments at Fair Market Value	7,234,261	-	-	7,234,261
Cash and Cash Equivalents	<u>582,798</u>	<u>-</u>	<u>-</u>	<u>582,798</u>
Total Assets at Fair Value	<u><u>\$7,817,059</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$7,817,059</u></u>

**DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021**

NOTE 10: SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through November 15, 2022, except for Note 11, as to which the date is July 20, 2023 the date the financial statements were available to be issued.

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS FORM 5500

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per the financial statements	\$ 8,850,072	\$ 7,969,281
Less: Employer contribution receivable	<u>(1,389)</u>	<u>(9,755)</u>
Net assets available for benefits per Form 5500	<u>\$8,848,683</u>	<u>\$7,959,526</u>

The following is a reconciliation of increase in net assets per the financial statements to Form 5500 as of December 31, 2021:

Net increase in assets available for benefits per the financial statements	880,791
Net change in employer contribution receivable	<u>8,366</u>
Net increase in assets available for benefits per Form 5500	<u>\$889,157</u>

NOTE 12 RECENTLY ADOPTED ACCOUNTING STANDARDS

Effective December 30, 2021, and thereafter the AICPA has published new statements of auditing standards, they are as follows.

SAS No. 134 changes the form and content for all auditor's reports under Generally Accepted Auditing Standards (GAAS). The changes are intended to enhance the communicative value and relevance of the auditor's report. It establishes a new auditing standard, AU-C Section 701, Communicating Key Audit Matters in the Independent Auditor's Report (Section 701).

Section 701 addresses the auditor's responsibility to communicate key audit matters (KAMs) in the auditor's report if and when the auditor is engaged. The purpose of communicating KAMs is to provide greater transparency about the audit to the financial statement's external users. The new standard addresses both the auditor's judgment about what to communicate as well as the form and content of such communication.

The new standard does not require the communication of KAMs in the auditor's report. Those charged with governance decide for their organization whether or not the auditor reports on KAMs in the auditor's report. KAMs are communicated with those charged with governance that, in the auditor's professional judgment, were of most significance in the audit. KAMs may include, among other things:

Higher assessed risk of material misstatement areas or significant risks;

Areas that required considerable auditor judgment, such as accounting estimates; or

Significant events or transactions in the current period.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 12 **RECENTLY ADOPTED ACCOUNTING STANDARDS(Continued)**

In addition, SAS No. 134 expanded the descriptions of management's responsibilities relating to going concern evaluations and of the auditor regarding professional judgment and professional skepticism, going concern, and communications with those charged with governance.

SAS No. 135 amends AU-C 260, Communication with Those Charged with Governance, and AU-C 550, Related Parties, as well as various other sections. These amendments are intended to enhance audit quality by heightening the auditor's focus on related parties and transactions with related parties and significant unusual transactions. Also, the new standard creates new communication requirements for:

SAS No. 136 requires enhanced audit quality and a revised auditor's report on ERISA plan financial statements to provide better insight into the responsibilities of both management and the auditor. AU-C section 703 was newly created, and AU-C 700 no longer applies for ERISA plans. An ERISA limited scope audit is now referred to as an ERISA section 103(a)(3)(C) audit, and the election to exclude certain investments is no longer considered a scope limitation. There are changes to audit procedures for ERISA section 103(a)(3)(C) audit, including:

Precondition that the auditor inquire as to how management determined the entity preparing and certifying the investment information is a qualified institution

Emphasis that the auditor is required to determine the information that is certified and not certified to conclude which is required to be audited

Also, there is a new form of opinion and changes to the auditor report for ERISA section 103(a)(3)(C) audit, including:

A two-part opinion addressing information not covered by the certification and procedures required by the SAS that were performed on the certified information.

SAS No. 137 clarifies that the auditor is required to apply procedures only to other information included in annual reports (or similar documents). It revises procedures to require the accountant to remain alert for misleading data, including if it omits or obscures information necessary for a proper understanding of a matter disclosed in the other report. It requires a separate section to be included in the auditor's report addressing additional information.

SAS No. 138 eliminates inconsistencies between the AICPA Professional Standards and the definition of materiality used by the U.S. judicial system and other U.S. standard setters and regulators.

SAS No. 139 includes technical corrections to align with new auditor reporting language for statements prepared following special purpose frameworks, single financial statements and specific elements, accounts or items of a financial statement, and summary financial statements. The new standard also includes updates to going concern considerations irrespective of whether the going concern basis of accounting is relevant to preparing the special purpose financial statements. The requirements of Section 570 apply regarding the auditor's responsibilities to perform the following:

Based on the audit evidence obtained, conclude whether, in the auditor's judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the entity's ability to continue as a going concern.

When such reasonable doubt exists, evaluate the adequacy of the financial statement disclosures.

SAS No. 140 amends the auditing standards to incorporate changes from SAS No. 134 and 137 to include Supplementary Information (SI) and Required Supplementary Information (RSI) to be presented in a separate section of the audit report, not in the Emphasis of Matter (EOM) or Other Matter (OM) paragraphs. It must indicate that RSI is the responsibility of management.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 12 **RECENTLY ADOPTED ACCOUNTING STANDARDS(Continued)**

The initial effective dates of these seven SASs were for audits of private company financial statements for periods ending on or after December 15, 2020. The AICPA's Auditing Standards Board decided to defer the effective dates due to the COVID-19 pandemic for one year, making these seven SASs effective for audits of calendar year-end 2021 financial statements. The deferral means these seven SASs are effective for periods ending on or after December 15, 2021.

DLC MANAGEMENT
401(k) Plan
Supplemental Schedule
For the Year Ended December 31, 2021

(a)	(b) ASSET	(c) Description of Investment	(d) Current Value
	BROKERAGELINK		
	UNIT		\$ 561,516
	COMMON STOCK		145,523
	CASH		10,924
	COL ACORN I	Mutual Fund	14,372
	LOOMIS SM CAP VAL R	Mutual Fund	18,497
	NORTHERN SM CAP VAL	Mutual Fund	12,061
	WA INFL IDX PL BD I	Mutual Fund	1,913
	3RD AV VALUE IS	Mutual Fund	7,564
	FID GNMA	Mutual Fund	1,687
	FID SEL SOFTWARE	Mutual Fund	125,759
	FID CAPITAL & INCOME	Mutual Fund	12,144
	FID VALUE	Mutual Fund	92,718
	FID SEL ENERGY	Mutual Fund	44,617
	FID SEL HEALTHCARE	Mutual Fund	164,395
	FID EUROPE	Mutual Fund	4,366
	FID REAL ESTATE INVS	Mutual Fund	100,046
	FID BALANCED	Mutual Fund	37,574
	FID INTL DISCOVERY	Mutual Fund	4,469
	FID CAPITAL APPREC	Mutual Fund	216,084
	FID DISCIPLND EQTY	Mutual Fund	32,058
	FID WORLDWIDE	Mutual Fund	84,264
	FID EMERGING MKTS	Mutual Fund	62,813
	FID STK SEL SM CAP	Mutual Fund	155,392
	FID LATIN AMERICA	Mutual Fund	22,795
	FID JAPAN	Mutual Fund	27,070
	FID EMERGING ASIA	Mutual Fund	54,574
	FID FREEDOM INCOME	Mutual Fund	102
	FID FREEDOM 2020	Mutual Fund	174,653
	FID FREEDOM 2030	Mutual Fund	587,999
	FID GOVT MMTT	Mutual Fund	417,951
	FID SEL MATERIALS	Mutual Fund	7,174
	FID STKSEL LGCAP VAL	Mutual Fund	69,765
	FID FREEDOM 2040	Mutual Fund	362,813
	FID TOTAL BOND	Mutual Fund	46,854
	FID FREEDOM 2015	Mutual Fund	18,656
	FID FREEDOM 2025	Mutual Fund	346,198
	FID FREEDOM 2035	Mutual Fund	653,424
	FID INTL SM CAP OPP	Mutual Fund	151
	FID FREEDOM 2045	Mutual Fund	1,121,738
	FID FREEDOM 2050	Mutual Fund	942,651
	FID 500 INDEX	Mutual Fund	873,860
	FID FREEDOM 2055	Mutual Fund	609,928
	FID INTL INDEX	Mutual Fund	57,639
	FID FREEDOM 2060	Mutual Fund	391,701
	FID FREEDOM 2065	Mutual Fund	27,448
			<u>\$8,725,900</u>
	NET ASSETS AVAILABLE FOR BENEFITS		
		8.5% Per Annum	<u>\$122,783</u>
		Principle amounts due at various times	
		from January 2021 through June 2031	<u>\$8,848,683</u>

SEE INDEPENDENT AUDITOR'S REPORT

DLC MANAGEMENT
401(k) Plan
Supplemental Schedule
For the Year Ended December 31, 2021

<u>SELF DIRECTED BROKERAGELINK</u>	<u>2021</u>
<u>CASH</u>	
FIDELITY CASH RESERVES	\$ 10,924
<u>COMMON STOCK</u>	
CARDIFF ONCOLOGY INC COM	12,621
GRAYSCALE ETHEREUM TR ETH SHS	65,044
LEXICON PHARMACEUTICALS INC	3,940
OMEROS CORP WASHINGTON	19,290
SYNERGY PHARMACEUTICALS INC	-
THERAPEUTICSMD INC COM	2,311
VIRTUS ETF TR II DUFF &PHELPS CL	17,069
WISDOMTREE TR BIOREVOLUTION FD	14,198
ARDELYX INC COM USD0.0001	3,300
BIODELIVERY SCIENCES INTL INC	7,750
TOTAL COMMON STOCK	145,523
<u>UNIT</u>	
GRAYSCALE BITCOIN TR BTC SHS ACCD INVS	126,724
ISHARES TR S&P 500 INDEX FD	83,696
ISHARES TR S&P MIDCAP 400 INDEX FD	77,987
ISHARES TRUST S&P SMALLCAP 600 INDEX	86,175
ISHARES TRUST CORE MSCI EAFE ETF	78,530
ISHARES INC CORE MSCI EMERGING MKTS	93,094
ARK ETF TR GENOMIC REVOLUTION MULTI	15,310
TOTAL UNIT SHARES	561,516
Total Self Directed Brokerage Account	<u>\$ 717,962</u>

SEE INDEPENDENT AUDITOR'S REPORT

DLC MANAGEMENT 401(K) PLAN
FINANCIAL STATEMENTS
YEARS ENDED DECEMBER 31, 2021 AND 2020

Seckendorf, Hasson, Reilly & Kobay CPA's, LLC
Certified Public Accountants

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SECKENDORF HASSON REILLY & KOBAY CPA'S, LLC

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
DLC Management 401(k) Plan

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

We have performed an audit of the financial statements of DLC Management 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) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- the amounts and disclosures in the accompanying 2021 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 accompanying 2021 financial statements related to assets held by6 and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our 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 2021 Financial Statements section of our report. We are required to be independent of DLC Management 401(k) Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

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

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

Auditor's 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 of 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule of Assets held for Investment Purposes and Schedule of Self-Directed Brokerage Account as of or for the year ended December 31, 2021, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

In our opinion

- the form and content of the supplemental schedules, other than the information in the supplemental 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).

Emphasis of Matter - Restatement

As discussed in Note 11 to the financial statements, the financial statements as of December 31, 2021 and for the year ended December 31, 2021 have been restated to accurately report the reconciliation of the financial statements to form 5500. Our opinion is not modified with respect to this matter.

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of DLC Management 401(k) Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 30, 2022, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.



Seckendorf, Hasson Reilly & Kobay CPA's, LLC

Lake Success, New York

November 15, 2022

July 20, 2023

DLC MANAGEMENT
401(k) Plan
Statements of Net Assets Available for Benefits
As of December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
ASSETS		
Investments at Fair Market Value	\$ 8,297,025	\$ 7,234,261
Notes Receivable from Participants	122,783	142,467
Employer Contribution Receivable	1,389	9,755
Cash and Cash Equivalents	428,875	582,798
Total Assets:	<u>8,850,072</u>	<u>7,969,281</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 8,850,072</u></u>	<u><u>\$ 7,969,281</u></u>

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

DLC MANAGEMENT
401 (k) Plan
Statement of Changes in Net Assets Available for Benefits
For the Year ended December 31, 2021

Additions to net assets attributed to:	
Investment Income :	
Net appreciation in fair value of investments	\$ 355,745
Dividends and interest income	684,710
Total investment income	<u>1,040,455</u>
Interest income on participant notes	<u>11,340</u>
Contributions:	
Participants	745,263
Employer	145,975
Rollovers	117,240
Total Contributions	<u>1,008,478</u>
Total additions	<u>2,060,273</u>
Deductions from net assets attributed to:	
Benefits paid to participants	1,146,357
Administrative Expenses	33,125
Total deductions	<u>1,179,482</u>
NET INCREASE IN NET ASSETS	<u>880,791</u>
Net assets available for plan benefits	
Beginning of Year	<u>\$ 7,969,281</u>
End of Year	<u><u>\$ 8,850,072</u></u>

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

**DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021**

NOTE 1: DESCRIPTION OF PLAN

General

The following description of the DLC Management 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 current provisions.

The Plan is a defined contribution plan that was established on January 1, 2001 by DLC Management (the Company) covering all employees of the Company. All employees, except those who may be covered under a collective bargaining agreement, are eligible to make elective deferral contributions, and are eligible for employer matching contributions. Employees hired are automatically enrolled in the plan as of the first day of each month. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The plan was amended and restated effective September 20, 2021 to comply with recent updates in regulatory requirements.

Administration

The company has contracted with Fidelity Workplace Services LLC to act as trustee, custodian and to process and maintain the records of participant data.

Eligibility

All employees that are not a resident of Puerto Rico, not covered by a collective bargaining agreement, and are not a nonresident alien with no income from a U.S. source, as defined in the Plan agreement, are eligible to participate in the plan and can enter into the plan on the first day of each plan year month.

On August 27, 2021, the plan was amended for participant eligibility requirements. A participant shall only be entitled to receive nonelective employer contributions for a plan year if the participant is an active participant during the Plan Year and either earns at least 501 hours of service during the plan year or is employed by the employer or a related employer on the last day of the plan year.

Participant Contributions

Each year participants may contribute a portion of their annual compensation, as defined in the Plan limited to the maximum (\$19,500 under 50 and \$26,000 over 50 for 2021) permitted by the Internal Revenue Code. Participants may designate all or a portion of their contributions as a Roth elective deferral. Participants may also contribute amounts representing distributions from other qualified plans, if certain requirements are met. All participants who have attained the age of 50 may make catch up contributions to the plan. The plan does not allow rollovers of designated Roth contributions.

Tax laws limit the amount of compensation that may be taken into account each plan year, the maximum amount for the 2021 plan year is \$290,000. Federal law requires that amounts contributed by the participant or the employer for a given limitation may not exceed the lower of \$57,000 or 100% of your annual compensation.

A participant may change or revoke his salary reduction agreement as of each entry date. All amounts contributed to the Plan are directly invested in the participant accounts according to their investment elections. Participants may direct their investments and employer matching contribution by choosing from various investment options offered by the trustees.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 1: DESCRIPTION OF PLAN (Continued)

Employer Contributions

The employer may make a basic matching employer contribution on behalf of each eligible participant in an amount equal to the percentage declared for the contribution period limited to 75% of their compensation, if any, by a board of directors' resolution of the deferral contributions made by each participant during the contribution period.

Participants eligible for catch up contributions are permitted to contribute in excess of the specified deferral limit up to 100% of the participant's affectively available compensation.

Discretionary employer qualified non elective contributions may be made for each plan year in an amount determined by the employer for all eligible participants. The voluntary employee contribution with employer match is equal to 50% of employee's contribution up to 4% of base salary. The participation begins immediately upon the participants' start date.

Participant Accounts

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

Vesting

Participants are immediately 100% vested in their Rollover Contributions, Qualified Matching Contributions, Qualified Non-elective Contributions, Deferral Contributions and any earnings thereon. The Employer Matching Contributions and Employer Non-elective Contributions and any earnings thereon, is 0% vested until one year of service, increasing each year incrementally by 20% and is 100% vested after five years of credited service.

Investments

Upon enrollment in the Plan, Participants may direct the investment of all of their accounts. It is intended that the plan meets the requirements of ERISA section 404(c) by providing the participants with sufficient information for them to make informed investment choices. Participants may change their investment options at any time. The value of each of the accounts is established as of the valuation date under the plan and the valuation date is daily. With respect to those Participant Accounts for which Investment Fiduciary investment direction is elected, the Investment Fiduciary shall direct the Trustee with respect to the investment and reinvestment of assets in the Permissible Investments. With respect to those Participant Accounts for which Participant investment direction is elected, each Participant shall direct the investment of his Account among the Permissible Investments.

Withdrawals

Participants who attain the age of 59 ½ may withdraw all or a portion of their vested account balance while still employed. Participants, after attaining the age of 70 ½ may receive distributions calculated in the same manner as minimum required distribution. Any balance resulting from rollover contributions may be withdrawn as well. Financial hardship withdrawals are limited to the amount of the participant's elective deferral contributions (but none of the income earned on such contributions). Hardship withdrawals are limited and are subject to federal rules.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 1: DESCRIPTION OF PLAN (Continued)

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of the participants vested account balance reduced by their highest outstanding loan balance in their account during the prior 12 month period, whichever is less. The loans are secured by up to 50% of the participants account balance and bear interest at a rate reasonable at the time of application, considering the purpose of the loan and the rate being charged by representative commercial banks in the local area for a similar loan. The loan agreement shall provide for the payment of principal and interest not less frequently than quarterly. All loans must be repaid within five years except for purchase of principle residence which may not exceed a ten year period. Participants may have only one loan outstanding at any given time. For loans qualifying under the Disaster Relief Act, TCJA, and the BBA, the dollar limit in may be increased to \$100,000 and the portion of the participants vested account balance that may be used is 100%.

Payment of Benefits

Distributions from the plan may only be made after specific events have occurred. Participants are eligible for a distribution upon termination of employment, death, disability, or retirement, and are paid in accordance with the Plan provisions. Participants may be eligible to receive distributions in the case of financial hardships predicated on certain conditions. A participant who withdraws funds due to hardship is not permitted to make any elective deferrals for at least six months after their receipt of the hardship distribution.

Participants are allowed to receive in-service distributions upon attaining age 59 ½. The Plan allows a distribution of their vested account balance if it does not exceed \$5,000, regardless of whether the participant consents to receive it upon termination before normal retirement age. If the participants terminate employment with the employer after normal retirement age, the plan will distribute their account without their consent.

On September 23, 2019, the IRS published final regulations amending the rules governing hardship distributions from 401(k) and 403(b) plans pursuant to changes contained in the Bipartisan Budget Act of 2018 (Act). The IRS' final regulations make the following key changes: (1) requiring plans to eliminate the six-month suspension of contributions following a hardship distribution made on or after January 1, 2020; (2) permitting plans to eliminate the requirement that participants obtain all available plan loans prior to receiving a hardship distribution; (3) expanding the types of contribution sources available for hardship distributions; (4) adding a new type of safe harbor hardship expense for losses relating to a federally-declared disaster; and (5) updating the administrative process required to document that the distribution is necessary to meet the financial need

Forfeitures

Forfeitures are retained in the Plan and may first be used to pay administrative expenses. Any remaining amounts will be used to reduce future Employer matching contributions the employer makes to the Plan. As of December 31, 2021, and 2020, forfeitures of \$42,403.92 and \$46,391 respectively were available to reduce the Plan's administrative expenses and future employer contributions.

Administrative Expenses

The cost of administering the Plan other than individual account service charges are paid by the Plan reducing the forfeiture account balance. Loan set up fees and other sundry fees are charged directly to the participants' account and are included in administrative expenses. The current year fee totaled \$33,125.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

Estimates

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

Investment Valuation and Income Recognition as Determined by Fidelity Workplace Services LLC

Investments of the plan are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 9 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold, as well as held during the year. The plan presents in its statements of changes in net assets available for benefits the net appreciation in the fair value of its investments which consists of only realized gains.

Payment of Benefits

Benefits are recorded when paid.

NOTE 3: RISKS AND UNCERTAINTIES

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

NOTE 4: UNAUDITED FINANCIAL INFORMATION CERTIFIED BY FIDELITY WORKPLACE SERVICES LLC

Supplemental schedules are attached following the notes representing investments at December 31, 2021 of the Plan at fair value which was furnished to the Plan administrator by Fidelity Workplace Services LLC.

NOTE 5: TAX STATUS

The Internal Revenue Service has determined in a letter dated June 30, 2020, that the plan document was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). Although the Plan document has been amended since receiving the opinion letter, the Plan Administrator believes that the Plan and related trust are designed, and are currently being operated, in compliance with applicable requirements of the IRC and, therefore, believe that the Plan is qualified, and the related trust is tax exempt.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the various taxing authorities and government agencies. The Plan Administrator has analyzed the tax position taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, the Plan was not audited since inception and there are currently no audits for any tax periods in progress.

NOTE 6: NON-DISCRIMINATION

The Internal Revenue Code requires that a Qualification Test be performed to assure that employee deferrals do not discriminate in favor of highly compensated employees.

NOTE 7: RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of mutual funds or money market funds managed by Fidelity Investments Institutional Operations Company, Inc. which is a related entity to Fidelity Workplace Services LLC, the Trustee, and therefore, these mutual fund and money market fund transactions qualify as party-in-interest transactions. Notes receivable from participant are also party-in-interest transaction.

NOTE 8: PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to amend or terminate the Plan at any time, subject to the provisions of ERISA. In the event that the Plan is terminated in the future, participants would become fully vested in their accounts.

NOTE 9: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the 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 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 - Inputs to the valuation methodology include: 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 assets or liabilities; inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

**DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021**

NOTE 9: FAIR VALUE MEASUREMENTS (Continued)

The asset 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.

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

Mutual funds:

Valued at the net asset value (NAV) of shares held by the Plan at year end based upon quoted market prices determined in an active market.

Common stocks:

Valued at the closing price reported on the active market on which the individual securities are traded.

Assets at Fair Value as of December 31, 2021

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$8,151,502	\$	\$	\$8,151,502
Common stocks & bonds	<u>145,523</u>	<u>-</u>	<u>-</u>	<u>145,523</u>
Net Investments at Fair Market Value	8,297,025	-	-	8,297,025
Cash and Cash Equivalents	<u>428,875</u>	<u>-</u>	<u>-</u>	<u>428,875</u>
Total Assets at Fair Value	<u><u>\$8,725,900</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$8,725,900</u></u>

Assets at Fair Value as of December 31, 2020

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds	\$7,125,344	\$	\$	\$7,125,344
Common stocks & bonds	<u>108,917</u>	<u>-</u>	<u>-</u>	<u>108,917</u>
Net Investments at Fair Market Value	7,234,261	-	-	7,234,261
Cash and Cash Equivalents	<u>582,798</u>	<u>-</u>	<u>-</u>	<u>582,798</u>
Total Assets at Fair Value	<u><u>\$7,817,059</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$7,817,059</u></u>

**DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021**

NOTE 10: SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through November 15, 2022, except for Note 11, as to which the date is July 20, 2023 the date the financial statements were available to be issued.

NOTE 11 RECONCILIATION OF FINANCIAL STATEMENTS FORM 5500

The following is a reconciliation of the net increase in net assets available for benefits per the financial statements to Form 5500 as of December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Net assets available for benefits per the financial statements	\$ 8,850,072	\$ 7,969,281
Less: Employer contribution receivable	<u>(1,389)</u>	<u>(9,755)</u>
Net assets available for benefits per Form 5500	<u>\$8,848,683</u>	<u>\$7,959,526</u>

The following is a reconciliation of increase in net assets per the financial statements to Form 5500 as of December 31, 2021:

Net increase in assets available for benefits per the financial statements	880,791
Net change in employer contribution receivable	<u>8,366</u>
Net increase in assets available for benefits per Form 5500	<u>\$889,157</u>

NOTE 12 RECENTLY ADOPTED ACCOUNTING STANDARDS

Effective December 30, 2021, and thereafter the AICPA has published new statements of auditing standards, they are as follows.

SAS No. 134 changes the form and content for all auditor's reports under Generally Accepted Auditing Standards (GAAS). The changes are intended to enhance the communicative value and relevance of the auditor's report. It establishes a new auditing standard, AU-C Section 701, Communicating Key Audit Matters in the Independent Auditor's Report (Section 701).

Section 701 addresses the auditor's responsibility to communicate key audit matters (KAMs) in the auditor's report if and when the auditor is engaged. The purpose of communicating KAMs is to provide greater transparency about the audit to the financial statement's external users. The new standard addresses both the auditor's judgment about what to communicate as well as the form and content of such communication.

The new standard does not require the communication of KAMs in the auditor's report. Those charged with governance decide for their organization whether or not the auditor reports on KAMs in the auditor's report. KAMs are communicated with those charged with governance that, in the auditor's professional judgment, were of most significance in the audit. KAMs may include, among other things:

Higher assessed risk of material misstatement areas or significant risks;

Areas that required considerable auditor judgment, such as accounting estimates; or

Significant events or transactions in the current period.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 12 **RECENTLY ADOPTED ACCOUNTING STANDARDS(Continued)**

In addition, SAS No. 134 expanded the descriptions of management's responsibilities relating to going concern evaluations and of the auditor regarding professional judgment and professional skepticism, going concern, and communications with those charged with governance.

SAS No. 135 amends AU-C 260, Communication with Those Charged with Governance, and AU-C 550, Related Parties, as well as various other sections. These amendments are intended to enhance audit quality by heightening the auditor's focus on related parties and transactions with related parties and significant unusual transactions. Also, the new standard creates new communication requirements for:

SAS No. 136 requires enhanced audit quality and a revised auditor's report on ERISA plan financial statements to provide better insight into the responsibilities of both management and the auditor. AU-C section 703 was newly created, and AU-C 700 no longer applies for ERISA plans. An ERISA limited scope audit is now referred to as an ERISA section 103(a)(3)(C) audit, and the election to exclude certain investments is no longer considered a scope limitation. There are changes to audit procedures for ERISA section 103(a)(3)(C) audit, including:

Precondition that the auditor inquire as to how management determined the entity preparing and certifying the investment information is a qualified institution

Emphasis that the auditor is required to determine the information that is certified and not certified to conclude which is required to be audited

Also, there is a new form of opinion and changes to the auditor report for ERISA section 103(a)(3)(C) audit, including:

A two-part opinion addressing information not covered by the certification and procedures required by the SAS that were performed on the certified information.

SAS No. 137 clarifies that the auditor is required to apply procedures only to other information included in annual reports (or similar documents). It revises procedures to require the accountant to remain alert for misleading data, including if it omits or obscures information necessary for a proper understanding of a matter disclosed in the other report. It requires a separate section to be included in the auditor's report addressing additional information.

SAS No. 138 eliminates inconsistencies between the AICPA Professional Standards and the definition of materiality used by the U.S. judicial system and other U.S. standard setters and regulators.

SAS No. 139 includes technical corrections to align with new auditor reporting language for statements prepared following special purpose frameworks, single financial statements and specific elements, accounts or items of a financial statement, and summary financial statements. The new standard also includes updates to going concern considerations irrespective of whether the going concern basis of accounting is relevant to preparing the special purpose financial statements. The requirements of Section 570 apply regarding the auditor's responsibilities to perform the following:

Based on the audit evidence obtained, conclude whether, in the auditor's judgment, there are conditions or events considered in the aggregate that raise substantial doubt about the entity's ability to continue as a going concern.

When such reasonable doubt exists, evaluate the adequacy of the financial statement disclosures.

SAS No. 140 amends the auditing standards to incorporate changes from SAS No. 134 and 137 to include Supplementary Information (SI) and Required Supplementary Information (RSI) to be presented in a separate section of the audit report, not in the Emphasis of Matter (EOM) or Other Matter (OM) paragraphs. It must indicate that RSI is the responsibility of management.

DLC MANAGEMENT
401(k) PLAN
Notes to Financial Statements
December 31, 2021

NOTE 12 **RECENTLY ADOPTED ACCOUNTING STANDARDS(Continued)**

The initial effective dates of these seven SASs were for audits of private company financial statements for periods ending on or after December 15, 2020. The AICPA's Auditing Standards Board decided to defer the effective dates due to the COVID-19 pandemic for one year, making these seven SASs effective for audits of calendar year-end 2021 financial statements. The deferral means these seven SASs are effective for periods ending on or after December 15, 2021.

DLC MANAGEMENT
401(k) Plan
Supplemental Schedule
For the Year Ended December 31, 2021

(a)	(b) ASSET	(c) Description of Investment	(d) Current Value
	BROKERAGELINK		
	UNIT		\$ 561,516
	COMMON STOCK		145,523
	CASH		10,924
	COL ACORN I	Mutual Fund	14,372
	LOOMIS SM CAP VAL R	Mutual Fund	18,497
	NORTHERN SM CAP VAL	Mutual Fund	12,061
	WA INFL IDX PL BD I	Mutual Fund	1,913
	3RD AV VALUE IS	Mutual Fund	7,564
	FID GNMA	Mutual Fund	1,687
	FID SEL SOFTWARE	Mutual Fund	125,759
	FID CAPITAL & INCOME	Mutual Fund	12,144
	FID VALUE	Mutual Fund	92,718
	FID SEL ENERGY	Mutual Fund	44,617
	FID SEL HEALTHCARE	Mutual Fund	164,395
	FID EUROPE	Mutual Fund	4,366
	FID REAL ESTATE INVS	Mutual Fund	100,046
	FID BALANCED	Mutual Fund	37,574
	FID INTL DISCOVERY	Mutual Fund	4,469
	FID CAPITAL APPREC	Mutual Fund	216,084
	FID DISCIPLND EQTY	Mutual Fund	32,058
	FID WORLDWIDE	Mutual Fund	84,264
	FID EMERGING MKTS	Mutual Fund	62,813
	FID STK SEL SM CAP	Mutual Fund	155,392
	FID LATIN AMERICA	Mutual Fund	22,795
	FID JAPAN	Mutual Fund	27,070
	FID EMERGING ASIA	Mutual Fund	54,574
	FID FREEDOM INCOME	Mutual Fund	102
	FID FREEDOM 2020	Mutual Fund	174,653
	FID FREEDOM 2030	Mutual Fund	587,999
	FID GOVT MMTT	Mutual Fund	417,951
	FID SEL MATERIALS	Mutual Fund	7,174
	FID STKSEL LGCAP VAL	Mutual Fund	69,765
	FID FREEDOM 2040	Mutual Fund	362,813
	FID TOTAL BOND	Mutual Fund	46,854
	FID FREEDOM 2015	Mutual Fund	18,656
	FID FREEDOM 2025	Mutual Fund	346,198
	FID FREEDOM 2035	Mutual Fund	653,424
	FID INTL SM CAP OPP	Mutual Fund	151
	FID FREEDOM 2045	Mutual Fund	1,121,738
	FID FREEDOM 2050	Mutual Fund	942,651
	FID 500 INDEX	Mutual Fund	873,860
	FID FREEDOM 2055	Mutual Fund	609,928
	FID INTL INDEX	Mutual Fund	57,639
	FID FREEDOM 2060	Mutual Fund	391,701
	FID FREEDOM 2065	Mutual Fund	27,448
			<u>\$8,725,900</u>
	NET ASSETS AVAILABLE FOR BENEFITS		
		8.5% Per Annum	<u>\$122,783</u>
		Principle amounts due at various times	
		from January 2021 through June 2031	<u>\$8,848,683</u>

SEE INDEPENDENT AUDITOR'S REPORT

DLC MANAGEMENT
401(k) Plan
Supplemental Schedule
For the Year Ended December 31, 2021

<u>SELF DIRECTED BROKERAGELINK</u>	<u>2021</u>
<u>CASH</u>	
FIDELITY CASH RESERVES	\$ 10,924
<u>COMMON STOCK</u>	
CARDIFF ONCOLOGY INC COM	12,621
GRAYSCALE ETHEREUM TR ETH SHS	65,044
LEXICON PHARMACEUTICALS INC	3,940
OMEROS CORP WASHINGTON	19,290
SYNERGY PHARMACEUTICALS INC	-
THERAPEUTICSMD INC COM	2,311
VIRTUS ETF TR II DUFF &PHELPS CL	17,069
WISDOMTREE TR BIOREVOLUTION FD	14,198
ARDELYX INC COM USD0.0001	3,300
BIODELIVERY SCIENCES INTL INC	7,750
TOTAL COMMON STOCK	145,523
<u>UNIT</u>	
GRAYSCALE BITCOIN TR BTC SHS ACCD INVS	126,724
ISHARES TR S&P 500 INDEX FD	83,696
ISHARES TR S&P MIDCAP 400 INDEX FD	77,987
ISHARES TRUST S&P SMALLCAP 600 INDEX	86,175
ISHARES TRUST CORE MSCI EAFE ETF	78,530
ISHARES INC CORE MSCI EMERGING MKTS	93,094
ARK ETF TR GENOMIC REVOLUTION MULTI	15,310
TOTAL UNIT SHARES	561,516
Total Self Directed Brokerage Account	<u>\$ 717,962</u>

SEE INDEPENDENT AUDITOR'S REPORT