

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 2023 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan THE PENDERGRAPH COMPANIES, LLC 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 01/01/2007
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) THE PENDERGRAPH COMPANIES, LLC PO BOX 19691 RALEIGH, NC 27619
2b	Employer Identification Number (EIN) 27-0080860
2c	Plan Sponsor's telephone number 919-755-0558
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.	10/14/2024	MICHAEL WEAVER
	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 THE PENDERGRAPH COMPANIES LLC PO BOX 19691 RALEIGH, NC 27619	3b Administrator's EIN 27-0080860 3c Administrator's telephone number 919-755-0558
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	5 212
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 140 6a(2) 141 6b 9 6c 77 6d 227 6e 0 6f 227 6g(1) 202 6g(2) 221 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2A 2E 2F 2G 2J 2K 2T 3D b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) ☐ DCG (Individual Plan Information) – Number Attached _____ (5) ☐ MEP (Multiple-Employer Retirement Plan Information)	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ A (Insurance Information) – Number Attached <u>1</u> (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan THE PENDERGRAPH COMPANIES, LLC 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE PENDERGRAPH COMPANIES, LLC	D Employer Identification Number (EIN) 27-0080860	

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

(a) Name of insurance carrier
EMPOWER ANNUITY INSURANCE COMPANY OF AMERICA

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
84-0467907	68322	375141-01	21	01/01/2023	12/31/2023

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

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

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

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

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

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

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

b	Balance at the end of the previous year	7b	183135
c	Additions: (1) Contributions deposited during the year	7c(1)	15655
	(2) Dividends and credits	7c(2)	0
	(3) Interest credited during the year	7c(3)	2219
	(4) Transferred from separate account.....	7c(4)	3825
	(5) Other (specify below)	7c(5)	4178
	▶ LOAN REPAYMENT		
	(6) Total additions	7c(6)	25877
d	Total of balance and additions (add lines 7b and 7c(6))	7d	209012
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	12613
	(2) Administration charge made by carrier	7e(2)	282
	(3) Transferred to separate account.....	7e(3)	19549
	(4) Other (specify below)	7e(4)	0
	▶		
	(5) Total deductions	7e(5)	32444
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	176568

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Specify nature of costs.

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection.

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

A Name of plan THE PENDERGRAPH COMPANIES, LLC 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 THE PENDERGRAPH COMPANIES, LLC	D Employer Identification Number (EIN) 27-0080860

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

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

Yes

x

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

(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)

EMPOWER ANNUITY INSURANCE COMPANY

8515 EAST ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(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?
64	RECORDKEEPER	15509	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

RETIREMENT PLAN SOLUTIONS INC

535 KEISLER DRIVE
SUITE 102
CARY, NC 27518

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	CONTRACT ADMIN	2770	Yes ☒ No ☐	Yes ☐ No ☒	4524	Yes ☐ No ☒

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

EMPOWER ADVISORY GROUP, LLC

8515 EAST ORCHARD ROAD
GREENWOOD VILLAGE, CO 80111

(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?
28	INVESTMENT MGMT	1365	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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)

INVESTMET RETIREMENT SOLUTIONS LLC

1801 CALIFORNIA STREET
23RD FLOOR
DENVER, CO 80202

(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?
99	OTHER	2	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

(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
RETIREMENT PLAN SOLUTIONS INC	13	4524

(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.
EMPOWER ANNUITY INSURANCE 8515 EAST ORCHARD ROAD GREENWOOD VILLAGE, CO 80111	TPA ALLOWANCE PAYMENT

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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 2023 This Form is Open to Public Inspection
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan THE PENDERGRAPH COMPANIES, LLC 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE PENDERGRAPH COMPANIES, LLC	D Employer Identification Number (EIN) 27-0080860	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	5427	5494
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	11402	6539
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	145	229
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	80503	47566
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	3910285	5032986
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	177708	171074
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	4185470	5263888
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	1144	1161
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1144	1161
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	4184326	5262727

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)	211859	
(B) Participants	2a(1)(B)	221451	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B), (C), and line 2a(2)	2a(3)		433310
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	2499	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2499
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	103460	
(D) Total dividends. Add lines 2b(2)(A) , (B), and (C)	2b(2)(D)		103460
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		795711
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1334980

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	222466	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		222466
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		14608
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)	19505	
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		19505
j Total expenses. Add all expense amounts in column (b) and enter total	2j		256579

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1078401
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

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

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

(1) Name: **STANCIL PC**

(2) EIN: **56-1131459**

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

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

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
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.)		☒	
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.)		☒	
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.)		☒	
e Was this plan covered by a fidelity bond?	☒		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?		☒	
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?		☒	
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?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
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.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
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.			

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 2023 This Form is Open to Public Inspection.	
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023					
A Name of plan THE PENDERGRAPH COMPANIES, LLC 401(K) PLAN				B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 THE PENDERGRAPH COMPANIES, LLC				D Employer Identification Number (EIN) 27-0080860	
Part I Distributions					
All references to distributions relate only to payments of benefits during the plan year.					
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....				1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 84-0467907					
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) 2023 v. 230707	

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐	
19 If the total number of participants is 1,000 or more, complete lines (a) and (b): a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____% b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation: _____	

Part VII	IRS Compliance Questions
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21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No 21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2). ☒ Design-based safe harbor method ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A 22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter <u>06 / 30 / 2020</u> (MM/DD/YYYY) and the Opinion Letter serial number <u>Q703912A</u> .	
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THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022



INDEX
DECEMBER 31, 2023 AND 2022

	PAGES
INDEPENDENT AUDITOR'S REPORT	2 - 5
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS	6
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS	7
NOTES TO FINANCIAL STATEMENTS	8 - 17
SCHEDULES TO FINANCIAL STATEMENTS: *	
SCHEDULE OF ASSETS (HELD AT END OF YEAR)	18 - 19
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS 2023	20
SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS 2022	21

* Other schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.



INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee
The Pendergraph Companies, LLC 401(k) Plan
Raleigh, North Carolina

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

We have performed audits of the accompanying financial statements of The Pendergraph Companies, LLC 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 statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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

Management has obtained certifications from Great West Life & Annuity Insurance Company (d/b/a Empower), as of December 31, 2023 and 2022, and for the years then ended, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

Opinion

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

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by Great West Life & Annuity Insurance Company (d/b/a Empower), 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).

INDEPENDENT AUDITOR'S REPORT

CONTINUED

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Pendergraph Companies, LLC 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

INDEPENDENT AUDITOR'S REPORT

CONTINUED

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Pendergraph Companies, LLC 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 The Pendergraph Companies, LLC 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Supplemental Schedules Required by ERISA

The supplemental Schedule of Assets (Held at End of Year) and the Schedules of Delinquent Participant Contributions, 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

INDEPENDENT AUDITOR'S REPORT**CONTINUED**

directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

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

Stancil PC

Stancil PC
Raleigh, NC
October 10, 2024

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2023 AND 2022

	<u>2023</u>	<u>Restated 2022</u>
ASSETS		
Cash	\$ 5,494	\$ 5,427
Investments, at Fair Value (See Notes 3 and 4)	5,032,986	3,910,285
Investments, at Contract Value (See Note 5)	171,074	177,708
	<u>5,204,060</u>	<u>4,087,993</u>
Receivables:		
Employer Contributions	6,539	4,327
Other Contributions	229	145
Notes Receivable from Participants	47,566	80,503
	<u>54,334</u>	<u>84,975</u>
Total Assets	<u><u>\$ 5,263,888</u></u>	<u><u>\$ 4,178,395</u></u>
LIABILITIES AND NET ASSETS		
Refund Liability	\$ 1,161	\$ 1,144
Total Liabilities	<u>1,161</u>	<u>1,144</u>
Net Assets Available for Benefits	<u><u>\$ 5,262,727</u></u>	<u><u>\$ 4,177,251</u></u>

See Independent Auditor's Report and Accompanying Notes to Financial Statements

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	Restated 2022
Additions to Net Assets:		
Additions to Net Assets Attributed to:		
Investment Income (Loss):		
Net Appreciation (Depreciation) in Fair Value of Investments	\$ 785,055	\$ (1,147,705)
Interest and Dividends	103,394	106,736
Net Investment Income (Loss)	888,449	(1,040,969)
Interest Income from Notes Receivable from Participants	2,499	2,946
Contributions:		
Participants Pre-Tax	87,110	86,143
Participants Roth	134,340	129,534
Employer - Matching	196,081	183,195
Employer - Profit Sharing	15,779	-
Other	229	145
Total Contributions	433,539	399,017
Total Additions	1,324,487	(639,006)
Deductions from Net Assets:		
Deductions from Net Assets Attributed to:		
Benefits Paid to Participants	220,871	167,246
Administrative Expenses	18,140	19,806
Total Deductions	239,011	187,052
Increase (Decrease) in Net Assets	1,085,476	(826,058)
Net Assets Available for Benefits:		
Beginning of Year	4,177,251	5,003,309
End of Year	\$ 5,262,727	\$ 4,177,251

See Independent Auditor's Report and Accompanying Notes to Financial Statements

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

1. DESCRIPTION OF PLAN:

The following description of The Pendergraph Companies, LLC 401(k) Plan ("the Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering all employees of The Pendergraph Companies, LLC 401(k) Plan ("the Company") who meet the age and service requirements of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Employees are eligible to participate upon completion of 1,000 hours of service as defined in the Plan Document. Plan entry dates are January 1, April 1, July 1, and October 1 of each year.

The Plan is administered by the Company. The Plan Trustee is Frankie W. Pendergraph. Great-West Life & Annuity Insurance Company (d/b/a Empower Retirement) ("Custodian") serves as the custodian and recordkeeper of the Plan. The Plan's Third-Party Administrator is Retirement Plan Solutions inc. and its investment advisor is Janey, Montgomery, Scott, LLC.

Contributions

Employees may elect to contribute pre-tax and Roth contributions to the Plan, through payroll deductions, on amounts up to 100% of eligible compensation or up to the IRS limits for that year. Participants who reach age 50 during the calendar year may be eligible to make catch-up contributions up to the IRS limits for that year. Participants are allowed to rollover contributions representing distributions directly from other qualified plans.

When a participant meets certain requirements related to age and service hours, the Company will make a "Safe Harbor" contribution to the participant's account in an amount not less than 3% of the participant's compensation. The Company may elect to make a discretionary matching contribution amount at the discretion of the Company in an amount not to exceed 6% of a participant's compensation. The Company may also make a discretionary profit-sharing contribution amount at the discretion of the Company. The Company made a discretionary profit-sharing contribution for the year ended December 31, 2023 in the amount of \$15,779.

Investment Options

Participants direct the investment of the contributions allocated to their accounts into various investment options offered by the Plan.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2023 AND 2022****1. DESCRIPTION OF PLAN: (Continued)****Participant Accounts**

Each participant's account is credited with the participant's contribution, an allocation of the Company's Safe Harbor contribution, discretionary and/or profit-sharing contribution as well as Plan earnings and/or expenses. Company contributions are invested in the investment options in the same allocation percentages as the participant's contributions. The benefit for a participant is the benefit that can be provided from the participant's vested account.

Vesting

Participants are always 100 percent vested in their elective deferrals, rollover contributions, "Safe Harbor" contribution and actual earnings thereon. Vesting in the Company's discretionary matching and profit-sharing contributions, and actual earnings thereon is based on years of service. A participant is 100 percent vested after four years of credited service.

Notes Receivable from Participants

Under the terms of the Plan, participants may borrow from their account up to fifty percent of their vested balance with a minimum of \$1,000 and a maximum of \$50,000. The loans are secured by the balance in the participant's account and bear interest rates commensurate with local prevailing rates as determined by the plan administrator. The rates range from 3.25 percent to 8.50 percent on loans outstanding at December 31, 2023, and mature through 2028. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Benefits are paid upon retirement, death, disability, or termination of employment. On termination of service, a participant will receive a lump-sum amount equal to the value of the vested interest in the account.

Forfeited Accounts

Forfeitures of the non-vested portion of terminated participants' accounts may be used to pay the administrative costs of the Plan. Any remaining forfeitures are added to the employer's contribution and allocated to eligible participants. At December 31, 2023 and 2022, forfeited non-vested accounts totaled \$5,494 and \$5,427, respectively. Forfeitures of \$0 and \$1,151 were allocated as additional employer contributions for plan years ending December 31, 2023 and 2022, respectively.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2023 AND 2022****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:****Basis of Accounting**

The financial statements of the Plan are prepared on the accrual basis of accounting.

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

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value, except for fully benefit responsive investment contracts, which are reported at contract value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's investment committee determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians and insurance company. See Note 4 for discussion of fair value investments.

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.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when incurred. No allowance for credit losses has been recorded as of December 31, 2023 and 2022. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Payment of Benefits

Benefits are recorded when paid.

See Independent Auditor's Report

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Administrative Expenses

Certain expenses relating to maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses paid by the Company are excluded from these financial statements. Fees relating to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) of fair value of investments.

Subsequent Events

The Plan has evaluated events from December 31, 2023 through October 10, 2024, which is the date that the financial statements were available to be issued.

3. INFORMATION CERTIFIED BY CUSTODIAN: (Unaudited)

The following is a summary of the Plan's financial information that is included in the financial statements based on information certified by the Trustee, Great West Life & Annuity Insurance Company (d/b/a Empower), as complete and accurate in accordance with Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

	December 31	
	2023	2022
Investments, At Fair Value		
Mutual Funds	\$ 5,032,986	\$ 3,910,285
Investments, At Contract Value		
Group Annuity Contract	171,074	177,708
Cash	5,494	5,427
Participant Loans	47,566	80,503
Investment Income (Loss)*	888,449	(1,040,969)

* Net of fees.

Accordingly, as permitted by 29 CFR 2520.103-8 of the United States Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the information that was certified by the Trustee, Great West Life & Annuity Insurance Company (d/b/a Empower), except for comparing such information included in the financial statements and supplemental schedules.

See Independent Auditor's Report

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

4. 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 | <p>Inputs to the valuation methodology include:</p> <ul style="list-style-type: none"> • Quoted prices for similar assets or liabilities in active markets; • Quoted prices for identical or similar assets or liabilities in inactive markets; • Inputs other than quoted prices that are observable for the asset or liability; • Inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

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.

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, 2023 and 2022.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

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

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

4. FAIR VALUE MEASUREMENTS: (Continued)

The following tables set forth, by level, within the fair value hierarchy, the plan's assets at fair value as of December 31, 2023 and 2022:

Assets at Fair Value as of December 31, 2023				
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 5,032,986	\$ -	\$ -	\$ 5,032,986
Total Assets at Fair Value	<u>\$ 5,032,986</u>	<u>\$ -</u>	<u>\$ -</u>	<u>5,032,986</u>
Investments measured at NAV *				-
Investments at fair value				<u>\$ 5,032,986</u>

Assets at Fair Value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 3,910,285	\$ -	\$ -	\$ 3,910,285
Total Assets at Fair Value	<u>\$ 3,910,285</u>	<u>\$ -</u>	<u>\$ -</u>	<u>3,910,285</u>
Investments measured at NAV *				-
Investments at fair value				<u>\$ 3,910,285</u>

*In accordance with Subtopic 820-10 as amended by ASU 2015-07, certain investments that were measured at net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value represented in this table is intended to permit reconciliation of the fair value hierarchy table to the line item presented in the statement of net assets available for benefits.

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period. The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits. For the years ended December 31, 2023 and 2022, there were no significant transfers in or out of Levels 1, 2 or 3.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

5. GROUP ANNUITY CONTRACT WITH NATIONAL INSURANCE COMPANY:

In 2016, the Plan entered into a fully benefit-responsive investment contract with Great-West Life & Annuity Insurance Company. Great-West Life & Annuity Insurance Company maintains the contributions in a general account. The Key Guaranteed Portfolio Fund (the Group Annuity Contract) is a general account product. The methodology for calculating the interest crediting rate is based on the earnings of the underlying assets in the entire medium-long term new portfolio compared to the minimum interest crediting rate, as stated in the contract, and prevailing market conditions. The interest crediting rate is reset quarterly. The contract is included in the financial statements at contract value as reported by Great-West. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

As described in Note 2, because the contract is fully benefit responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the group annuity contract because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals, and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

The guaranteed rate provision covers the range of insurance expenses that are netted to create the crediting rate. The crediting interest rate is based on a formula agreed upon with the issuer, but it may not be less than zero percent. The crediting rate is reviewed on a quarterly basis for resetting.

Average Yields:	2023	2022
Based on Actual Earnings	1.23%	0.94%
Based on Interest Rate Credited to Participants	1.23%	0.93%

The Plan's ability to receive amounts due in accordance with fully benefit responsive investment contracts is dependent on third party issuer's ability to meet financial obligations. The issuer's ability to meet contractual obligations may be affected by future economic and regulatory developments.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2023 AND 2022****5. GROUP ANNUITY CONTRACT WITH NATIONAL INSURANCE COMPANY:
(Continued)**

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include 1) amendments to the plan documents (including complete or partial plan terminations or mergers) 2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions, 3) bankruptcy of the plan sponsor or other plan sponsor events (like divestitures or spin-offs) that cause a significant withdrawal from the Plan or 4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. At December 31, 2023 and 2022, the trustee of the fund did not believe that the occurrence of any fair value event, which would limit the fund's ability to transact at contract value with participants, is probable of occurring.

The guaranteed investment contract does not permit the bank to terminate the agreement prior to the scheduled maturity date.

No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants. In addition, certain events allow the issuer to terminate the contracts with the Plan and settle at an amount different from contract value.

6. 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.

7. PARTY-IN-INTEREST TRANSACTIONS:

The Custodian, Great-West Life & Annuity Insurance Company (GWLAIC), provides various mutual funds and a group annuity contract as investments options. Participants are directly charged by GWLAIC for recordkeeping services such as loan and distribution processing and other asset-based management commission fees. The recordkeeping and investment management fees reported by GWLAIC were \$16,783 and \$16,812 for the years ending December 31, 2023 and 2022, respectively. The remaining fees paid for 2023 and 2022, respectively, were to Envestnet Retirement Solutions of \$906 and \$862 for "other" fees and \$2,770 and \$3,790 paid to Retirement Plan Solutions, Inc. for additional administration services.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2023 AND 2022****8. PLAN TERMINATION:**

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

9. INCOME TAX STATUS:

The Plan restated the CCH INCORPORATED d/b/a FTWILLIAM COM Volume Submitter Profit Sharing Plan with CODA effective January 1, 2022. The prototype plan obtained its latest opinion letter on June 30, 2020, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. Although the Plan has been amended since receiving the advisory opinion, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code, and therefore, believe the Plan is qualified, and the related trust is tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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 be sustained upon examination by the Internal Revenue Service and the North Carolina Department of Revenue. The plan administrator has analyzed the tax positions taken by the plan, and has concluded that as of December 31, 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

10. RESTATED PRIOR YEAR FINANCIAL STATEMENTS:

The prior year's 2022 financial statements mistakenly included \$7,075 more in employer contribution receivables than should have been included. The 2022 Form 5500 had the error in employer contributions receivable as well and the prior year adjustment was not made to the Form 5500.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2023 AND 2022

11. RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500:

The following is a reconciliation of the Statement of Net Assets Available for Benefits per the Plan's financial statements to Schedule H of the Form 5500:

	December 31	
	2023	2022
Net Assets Available for Plan		
Benefits per the Financial Statements	\$ 5,262,727	\$ 4,177,251
Error in Prior Year Employer Receivable True-Up computation - Restated	-	7,075
Net Assets per Form 5500	<u>\$ 5,262,727</u>	<u>\$ 4,184,326</u>
	2023	2022
Change in Net Assets Available for Benefits per the Financial Statements	\$ 1,085,476	\$ (826,058)
Error in Prior Year Employer Receivable True-Up computation - Restated	(7,075)	7,075
Late Remittance interest	-	(145)
Net Income (Loss) per Form 5500	<u>\$ 1,078,401</u>	<u>\$ (819,128)</u>

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

**FORM 5500, SCHEDULE H, LINE 4i
EMPLOYER IDENTIFICATION NUMBER 27-0080860; PLAN #001**

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2023

(a)	(b)	(c)	(d)	(e)
	Identity of Issue	Description of Investment	Cost **	Current Fair Value
*	Key Guaranteed Portfolio Fund	Group Annuity Contract 1.04%	n/a	\$ 171,074
	American Funds 2015 Target Date Retire R6	Mutual Fund	n/a	30,287
	American Funds 2020 Target Date Retire R6	Mutual Fund	n/a	294,774
	American Funds 2025 Target Date Retire R6	Mutual Fund	n/a	296,410
	American Funds 2030 Target Date Retire R6	Mutual Fund	n/a	318,417
	American Funds 2035 Target Date Retire R6	Mutual Fund	n/a	266,978
	American Funds 2040 Target Date Retire R6	Mutual Fund	n/a	96,775
	American Funds 2045 Target Date Retire R6	Mutual Fund	n/a	21,544
	American Funds 2050 Target Date Retire R6	Mutual Fund	n/a	43,383
	American Funds 2055 Target Date Retire R6	Mutual Fund	n/a	168,374
	American Funds 2060 Target Date Retire R6	Mutual Fund	n/a	9,375
	American Funds Conservative G&I Portfolio R6	Mutual Fund	n/a	126,687
	iShares U.S. Aggregated Bond Index K	Mutual Fund	n/a	122,393
	MFS Global Growth R6	Mutual Fund	n/a	214,171
	Vanguard 500 Index ADM	Mutual Fund	n/a	296,730
	Vanguard Developed Markets Index ADM	Mutual Fund	n/a	30,746
	Vanguard Dividend Growth INV	Mutual Fund	n/a	11,672
	Vanguard Emerging Mkts Stock Index ADM	Mutual Fund	n/a	32,112
	Vanguard Growth Index ADM	Mutual Fund	n/a	1,101,120
	Vanguard Intermediate Term Bond Fd ADM	Mutual Fund	n/a	12,840
	Vanguard Lifestrategy Conservative Growth INV	Mutual Fund	n/a	1,757
	Vanguard Lifestrategy Growth INV	Mutual Fund	n/a	332,369
	Vanguard Lifestrategy Moderate Growth	Mutual Fund	n/a	21,836
	Vanguard Mid Cap Growth Index Fund ADM	Mutual Fund	n/a	427,349
	Vanguard Mid Cap Index FD ADM	Mutual Fund	n/a	212,670
	Vanguard Mid-Cap Value Index Adm	Mutual Fund	n/a	2,873
	Vanguard Real Estate Index ADM	Mutual Fund	n/a	110,333
	Vanguard Small Cap Value Index ADM	Mutual Fund	n/a	263,674
	Vanguard Total Int'l Stock Index ADM	Mutual Fund	n/a	165,337
		Subtotal Mutual Funds		\$ 5,032,986

Schedule continues on the Next Page

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

FORM 5500, SCHEDULE H, LINE 4i

EMPLOYER IDENTIFICATION NUMBER 27-0080860; PLAN #001

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2023

Schedule continued from Previous Page

Cash	Cash	\$	5,494
	3.25% - 8.50%, maturing		
* Participant Loans	through 2028	-0-	<u>47,566</u>
	Total	\$	<u><u>5,257,120</u></u>

Note: This schedule was derived from data certified by Great-West Life & Annuity Insurance Company, the Custodian.

* Party-in-Interest

** Cost information is omitted for participant-directed investments.

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

**FORM 5500 - SCHEDULE H - LINE 4a
EMPLOYER IDENTIFICATION NUMBER 27-0080860; PLAN #001**

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

DECEMBER 31, 2023

Total that Constitute Nonexempt Prohibited Transactions

<u>Participant Contributions Transferred Late to the Plan</u>	<u>Contributions Not Corrected</u>	<u>Contributions Corrected Outside the VFCP</u>	<u>Contributions Pending Correction within VFCP</u>	<u>Total Fully Corrected Under VFCP and PTE 2002-51</u>
\$ 169,239	\$ 169,239	\$ -	\$ -	\$ -

Check here if Late
Participant Loan
Repayments are
included:



THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

**FORM 5500 - SCHEDULE H - LINE 4a
EMPLOYER IDENTIFICATION NUMBER 27-0080860; PLAN #001**

SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS

DECEMBER 31, 2022

Total that Constitute Nonexempt Prohibited Transactions

Participant Contributions Transferred Late to the Plan	Contributions Not Corrected	Contributions Corrected Outside the VFCP	Contributions Pending Correction within VFCP	Total Fully Corrected Under VFCP and PTE 2002-51
\$ 237,380	\$ -	\$ 237,380	\$ -	\$ 237,380

Check here if Late
Participant Loan
Repayments are
included:





STANCIL PC
4909 Windy Hill Drive, Raleigh, NC 27609
(919) 872-1260 • Fax (919) 872-6182 • stancilcpa.com

THE PENDERGRAPH COMPANIES, LLC 401(k) PLAN

**FORM 5500, SCHEDULE H, LINE 4i
EMPLOYER IDENTIFICATION NUMBER 27-0080860; PLAN #001**

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2023

(a)	(b)	(c)	(d)	(e)
	Identity of Issue	Description of Investment	Cost **	Current Fair Value
* Key Guaranteed Portfolio Fund		Group Annuity Contract 1.04%	n/a	\$ 171,074
	American Funds 2015 Target Date Retire R6	Mutual Fund	n/a	30,287
	American Funds 2020 Target Date Retire R6	Mutual Fund	n/a	294,774
	American Funds 2025 Target Date Retire R6	Mutual Fund	n/a	296,410
	American Funds 2030 Target Date Retire R6	Mutual Fund	n/a	318,417
	American Funds 2035 Target Date Retire R6	Mutual Fund	n/a	266,978
	American Funds 2040 Target Date Retire R6	Mutual Fund	n/a	96,775
	American Funds 2045 Target Date Retire R6	Mutual Fund	n/a	21,544
	American Funds 2050 Target Date Retire R6	Mutual Fund	n/a	43,383
	American Funds 2055 Target Date Retire R6	Mutual Fund	n/a	168,374
	American Funds 2060 Target Date Retire R6	Mutual Fund	n/a	9,375
	American Funds Conservative G&I Portfolio R6	Mutual Fund	n/a	126,687
	iShares U.S. Aggregated Bond Index K	Mutual Fund	n/a	122,393
	MFS Global Growth R6	Mutual Fund	n/a	214,171
	Vanguard 500 Index ADM	Mutual Fund	n/a	296,730
	Vanguard Developed Markets Index ADM	Mutual Fund	n/a	30,746
	Vanguard Dividend Growth INV	Mutual Fund	n/a	11,672
	Vanguard Emerging Mkts Stock Index ADM	Mutual Fund	n/a	32,112
	Vanguard Growth Index ADM	Mutual Fund	n/a	1,101,120
	Vanguard Intermediate Term Bond Fd ADM	Mutual Fund	n/a	12,840
	Vanguard Lifestrategy Conservative Growth INV	Mutual Fund	n/a	1,757
	Vanguard Lifestrategy Growth INV	Mutual Fund	n/a	332,369
	Vanguard Lifestrategy Moderate Growth	Mutual Fund	n/a	21,836
	Vanguard Mid Cap Growth Index Fund ADM	Mutual Fund	n/a	427,349
	Vanguard Mid Cap Index FD ADM	Mutual Fund	n/a	212,670
	Vanguard Mid-Cap Value Index Adm	Mutual Fund	n/a	2,873
	Vanguard Real Estate Index ADM	Mutual Fund	n/a	110,333
	Vanguard Small Cap Value Index ADM	Mutual Fund	n/a	263,674
	Vanguard Total Int'l Stock Index ADM	Mutual Fund	n/a	165,337
		Subtotal Mutual Funds		\$ 5,032,986

Schedule continues on the Next Page

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DECEMBER 31, 2023

Schedule continued from Previous Page

Cash	Cash	\$	5,494
	3.25% - 8.50%, maturing		
* Participant Loans	through 2028	-0-	<u>47,566</u>
	Total	\$	<u><u>5,257,120</u></u>

Note: This schedule was derived from data certified by Great-West Life & Annuity Insurance Company, the Custodian.

* Party-in-Interest

** Cost information is omitted for participant-directed investments.