

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 NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b	Three-digit plan number (PN) ▶ 002
1c	Effective date of plan 01/01/2018
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) NOU SYSTEMS, INC. 7047 OLD MADISON PIKE SUITE 305 HUNTSVILLE, AL 35806
2b	Employer Identification Number (EIN) 45-2815517
2c	Plan Sponsor's telephone number 256-327-9007
2d	Business code (see instructions) 541700

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.	10/15/2024	REBECCA ROMINE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2024	REBECCA ROMINE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 204
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) 174 6a(2) 171 6b 3 6c 31 6d 205 6e 0 6f 205 6g(1) 190 6g(2) 201 6h 19
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:

2I 2O 2Q 3I

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
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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 0
- (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 _____
- (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 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 NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 NOU SYSTEMS, INC.	D Employer Identification Number (EIN) 45-2815517

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).....

No

Yes

☒
- 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)

SCJ FIDUCIARY SERVICES

83-1749176

(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?
24 50	TRUSTEE	52500	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
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 NOU SYSTEMS, INC.		
		D Employer Identification Number (EIN) 45-2815517

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	999935	29038
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	800000	1010645
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		1403
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		82419
(2) U.S. Government securities	1c(2)		1714746
(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)		
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	1297370	1798079
(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	3097305	4636330
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	3097305	4636330

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)	1010645	
(B) Participants	2a(1)(B)		
(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)		1010645
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	31682	
(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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		31682
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	509604	
(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)		21340
c Other income	2c		76162
d Total income. Add all income amounts in column (b) and enter total	2d		1649433

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	57893	
(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)		57893
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(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)	52500	
(11) Other expenses	2i(11)	15	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		52515
j Total expenses. Add all expense amounts in column (b) and enter total	2j		110408

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1539025
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: **ANGLIN REICHMANN ARMSTRONG, PC**

(2) EIN: **63-1262841**

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 NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 NOU SYSTEMS, INC.		D Employer Identification Number (EIN) 45-2815517
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 42-0127290		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?		☐ Yes ☒ No
11 a Does the ESOP hold any preferred stock?		☐ Yes ☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)		☐ Yes ☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?		☒ Yes ☐ No
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 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 ____/____/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.	

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023 AND 2022

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

Independent Auditors' Report

To the Plan Administrator of the
nou Systems, Inc. Employee Stock Ownership Plan

Opinion

We have audited the accompanying financial statements of nou Systems, Inc. Employee Stock Ownership Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statement of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of nou Systems, Inc. Employee Stock Ownership Plan as of December 31, 2023 and 2022, and the changes in net assets available for benefits for the year ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of nou Systems, Inc. Employee Stock Ownership Plan and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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 nou Systems, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Supplemental Schedules Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule of Assets (Held at End of Year) and Schedule of Reportable Transactions as of and for the year ended December 31, 2023, are presented for the purpose 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 the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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

Sincerely,

Anglin Reichmann Armstrong P.C.

CERTIFIED PUBLIC ACCOUNTANTS

October 14, 2024

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2023 AND 2022

ASSETS		
	2023	2022
Interest-bearing cash	\$ 111,457	\$ 999,935
Investments at fair value		
Investment in nou Systems, Inc.		
common stock at fair value	1,798,079	1,297,370
U.S. Treasury notes	1,714,746	-
Total investments	3,624,282	2,297,305
Receivables:		
Employer cash contributions	1,010,645	800,000
Distribution overpayment	1,403	-
Total Receivables	1,012,048	800,000
Total Assets	4,636,330	3,097,305
LIABILITIES		
Total Liabilities	-	-
Net Assets Available for Benefits	\$ 4,636,330	\$ 3,097,305

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

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2023

Additions to Net Assets Attributed to:

Investment income:	
Net appreciation in fair value of investments	\$ 530,944
Interest and dividends	<u>31,682</u>
Total Investment Income	<u>562,626</u>
Contributions:	
Cash	1,010,645
S-Corporation distributions	74,759
Distribution overpayment	<u>1,403</u>
Total Contributions	<u>1,086,807</u>
Total Additions	<u>1,649,433</u>

Deductions from Net Assets Attributed to:

Benefits paid to participants	57,893
Administrative expenses	<u>52,515</u>
Total Deductions	<u>110,408</u>
Net Increase	1,539,025

Net Assets Available for Benefits:

Beginning of Year	<u>3,097,305</u>
End of Year	<u><u>\$ 4,636,330</u></u>

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

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Description of Plan

The following description of the nou Systems, Inc. Employee Stock Ownership 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

Nou Systems, Inc. (the Company) established the nou Systems, Inc. Employee Stock Ownership Plan effective as of January 1, 2018, as a non-leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Plan Administrator who is the Founder and Chief Executive Officer of the Sponsor Company. The Plan Administrator has authority to control and manage the operation and administration of the Plan and has all powers necessary to enable it to carry out its duties. The Trustee is responsible for oversight of the Plan.

Eligibility

Participation in the Plan is available to all eligible employees of the Company who have one year of service and are age 21 or older, excluding employees of affiliate employers, leased employees, nonresident aliens, and employees covered by a collective bargaining agreement, as defined by the Plan. A participant will be eligible to receive an allocation of base and a discretionary contribution, forfeitures, earnings and losses, or stock dividends if they are still employed on the last day of the Plan year; however, if a participant is not actively employed on the last day of the Plan year by virtue of such participant's death, retirement on or after normal retirement age, or total and permanent disability in such Plan year, such participant shall share in the allocation of the discretionary contributions and forfeitures for that Plan year.

Contributions

Employer Discretionary Contributions - For each Plan year, the Company may contribute to the Plan the discretionary contribution in an amount as determined by the employer in cash or Sponsor Company stock. As of each anniversary date or other valuation date, the Administrator shall allocate the discretionary contribution to each active participant. The Company elected a \$1,000,000 employer discretionary contribution for the year ended December 31, 2023. All the contributions shall be allocated in the same proportion that each such participant's compensation for the year bears to the total compensation of all participants for such year.

S-Corporation Distributions - For each plan year, the Company contributes to the Plan the ESOP's share of S-Corporation distributions in an amount determined by the employer based on the tax distributions needed by the majority owners. The Company made \$74,759 in S-Corporation distributions to the plan for the year ended December 31, 2023. All S-Corporation distributions shall be allocated based on the participant's ownership of shares in the Sponsor Company.

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. As of December 31, 2023 and 2022, Plan assets in the amount of \$394,986 and \$219,882 were allocated to accounts of persons who have terminated employment with the Company, respectively.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 1 - Description of Plan - Continued

Payment of Benefits - Continued

All distributions shall be made in shares of Company Stock, cash, or a combination thereof, as determined by the Administrator, and if distributed in shares of Company Stock, shall be subject to a requirement that such shares be sold to the Employer or Plan immediately upon distribution. Vested account balances with a minimum value of \$5,000 or less are distributed in a lump sum during the Plan year following the Plan year of separation. Vested accounts greater than \$5,000 are distributed in annual installment payments not to exceed five years or in a lump sum. Vested accounts with a value defined as a large balance may be distributed in approximately equal annual installments over a period of up to 10 years. The definition of large balance is indexed annually for cost-of-living increases. Distributions due to death are distributed to the beneficiaries by the end of the fifth year after death. Vested shares of Company Stock in a terminated participant's account to be transferred will be calculated based on the fair market value of the Company Stock for the Plan year that coincides with their date of termination.

Under the provisions of the Plan, the Plan is obligated to repurchase participant shares which have been distributed under the terms of the Plan as long as the shares are not publicly traded or if the shares are subject to trading limitations.

Voting Rights

All Company common shares held by the trust shall be voted by the Trustee in accordance with instructions from the Administrator. Notwithstanding the foregoing, participants and/or beneficiaries shall be entitled to direct the voting of any voting shares allocated to their Company Stock Accounts with respect to any vote required for the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all the assets of a trade or business, or other similar transactions prescribed by regulation. In accordance with instructions from the Committee, the Trustee shall vote any unallocated shares held by the trust, as well as any allocated shares for which a participant has failed to give timely voting direction.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Committee should direct the Trustee to pay all liabilities and expenses of the trust fund.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's Common Stock and cash contributed, S-Corporation distributions, and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation; provided, however, if a participant is not actively employed on the last day of a Plan year by virtue of such participant's death, retirement on or after normal retirement age, or total and permanent disability in such Plan year, such participant shall share in the allocation of the employer discretionary contribution for that Plan year.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 1 - Description of Plan - Continued

Participant Accounts - Continued

Allocations are based on a participant's eligible compensation, relative to total eligible compensation. As of each valuation date, before the current valuation period allocation of employer contributions and forfeitures, any earnings, or losses (net appreciation or net depreciation) of the trust fund shall be allocated in the same proportion that each participant's account bears to the total of all participants' accounts as of such date. Each account maintained on behalf of a participant shall be credited or charged with its separate earnings and losses.

Vesting

Participants vest 20% per year of service after completion of two years of service and are 100% vested after six years of creditable service. If a participant's employment with the Company ends for the following reasons, he or she will become 100% vested: the complete discontinuance of the employer contributions to the plan, full or partial termination of the Plan, the participant's attainment of normal retirement age, disability or death.

Put Option

If Company Stock is distributed to a participant and such Company Stock is not readily tradeable on an established securities market, a participant has a right to require the Company to repurchase the Company Stock distributed to such participant under a fair valuation formation.

The put option must be exercisable only by a participant, by the participant's donees, or by a person (including an estate or its distributee) to whom the Company Stock passes by reason of a participant's death. The put option must permit a participant to put the Company Stock to the Company. Under no circumstances may the put option bind the Plan. However, it shall grant the Plan an option to assume the rights and obligations of the Company at the time that the put option is exercised.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution.

Forfeitures

As of December 31, 2023 and 2022, forfeited nonvested accounts totaled \$134,490 and \$85,945, respectively. On or before each anniversary date, any amounts which became forfeitures since the last anniversary date may be made available to reinstate previously forfeited account balances of inactive participants, if any. The remaining Plan forfeitures, if any, shall be allocated each year among each participant's account otherwise eligible based upon the relation of the participant's compensation to total compensation for the Plan year. The forfeitures of terminated nonvested account balances allocated to remaining participants was \$33,609 in cash and 596.1 shares of Company stock for the year ended December 31, 2023.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

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

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 2 - Summary of Significant Accounting Policies - Continued

Cash

Cash includes cash held in readily available checking accounts and money market funds.

Use of Estimates

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

Investment Valuation and Income Recognition

The shares of Company Common Stock are reported at fair value. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is accrued on the ex-dividend date. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Payment of Benefits

Benefit payments to participants are recorded when paid.

Administrative Expenses

As provided in the Plan Agreement, administrative expenses are paid by the Plan unless paid by the Company.

Note 3 - Administration of Plan Assets

The Plan's assets, which consist principally of Company common stock, are held by the Trustee of the Plan while other investments in non-Company investments are held in an account with Morgan Stanley Wealth Management. Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The Trustee also administers the payments of interest and principal on the loans, which are reimbursed to the Trustee through contributions as determined by the Company. Investments held by Morgan Stanley Wealth Management are overseen by the Company and transactions occurring between the Trustee and the investment account require authorization of the Company.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees and fees for annual valuation of the Company's common shares are paid directly by the Plan.

Note 4 - Investments

The Plan's investments in nou Systems, Inc. Employee Stock Ownership Plan common stock at December 31, 2023 and 2022 are presented in the following table:

	<u>2023</u>	<u>2022</u>
Number of shares	172,065	172,065
Cost	\$ 739,401	\$ 739,401
Estimated fair value	\$ 1,798,079	\$ 1,297,370

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements

Financial Accounting Standards Board (FASB) ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

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

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

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

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

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

U.S. Treasury notes: Valued based on current yield, prevailing market interest rates, remaining time to maturity.

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.

*nou Systems, Inc.'s Common Stock: The estimated fair value of the nou Systems, Inc. Common Stock held by the Plan is valued at estimated fair value based on an annual independent appraisal. This appraisal was based on an income valuation approach. The appraiser took into account historical and projected cash flow and net income, weighted average cost of capital, and applicable discounts and premiums.

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.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2023 and 2022:

	<u>Fair Value Measurements</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
<u>December 31, 2023</u>				
U.S. Treasury notes	\$ 1,714,746	-	-	\$ 1,714,746
*Common stock	-	-	1,798,079	1,798,079
Investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,798,079</u>	<u>\$ 3,512,825</u>
<u>December 31, 2022</u>				
*Common stock	<u>\$ -</u>	<u>-</u>	<u>1,297,370</u>	<u>\$ 1,297,370</u>
Investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,297,370</u>	<u>\$ 1,297,370</u>

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2023:

	<u>Level 3 Assets</u> <u>Year Ended</u> <u>December 31, 2023</u>
Balance, beginning of year	\$ 1,297,370
Stock contribution	-
Realized gains/(losses)	-
Unrealized gains/(losses) relating to instruments still held at the reporting date	500,709
Shares distributed	-
Sales	-
Balance, end of year	<u>\$ 1,798,079</u>
The amount of total gains or losses for the period attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	<u>\$ 500,709</u>

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2023 are reported in net appreciation (depreciation) in fair value of investments in the statement of changes in net assets available for benefits.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements - Continued

The following table sets forth the basic assumptions used in arriving at estimated fair value and the range of value for unobservable inputs:

Description	Fair Value	Principal Valuation Technique	Unobservable Input
Sponsor Company Company Stock	\$ 1,798,079	Income	EBITDA, net income, weighted average cost of capital, discount rate, discount for lack of marketability
		Market	Public comparables, revenue multiple, EBITDA multiple, discount for lack of marketability

The estimated fair value of the Company's Common Stock held by the Plan is valued at fair value based on an annual independent appraisal. This appraisal was based on an income valuation approach as outlined in the above table.

The valuation process involves the Trustee's and Plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the internal financial statements of the Company. The appraiser prepares a preliminary report which Plan management, along with the Trustee, reviews in detail, discusses and approves.

Note 6 - Related-Party Transactions and Party in Interest Transactions

The Plan invests in the Company's Common Stock. This is a related party and party-in-interest transaction. As described in Notes 2, 3, and 4, the Plan has service providers. Such parties are parties-in-interest under ERISA.

Principal Life Insurance Company provides record keeping services for the Plan, therefore, these transactions qualify as party in interest transactions. The Plan made direct payments to the record keeper which were not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

Certain Plan investments held during the year included shares of mutual funds and exchange traded funds & closed-end funds managed by Morgan Stanley Wealth Management (MSWM). These transactions qualify as party in interest transactions.

Note 7 - 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 would become 100% vested in their employer contributions.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 8 - Income Tax Status

The IRS has determined and informed the Company by a letter dated March 6, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

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 if the Company has taken a significant uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9 - Risks and Uncertainties

The Plan investments consist primarily of the Company's Common Stock, which is exposed to various risks, including interest rate, market, and credit risks, as well as valuation assumptions based on earnings and cash flows and/or other such techniques. Due to the level of risk associated with the investment in the Common Stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the Common Stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits

Note 10 - Subsequent Events

Amendment to the Plan

Effective March 2024, the Plan was amended to include years of service for employees of Propagation Research Associates, LLC. For purposes of eligibility and for vesting, all years of service shall be recognized including those years of service prior to the acquisition date.

Transition to Full ESOP

On April 30, 2024, subsequent to the plan year ending December 31, 2023, nou Systems, Inc. completed the process of transitioning to a 100% Employee Stock Ownership Plan (ESOP). As a result of this transaction, the ESOP Trust now holds all of the issued and outstanding shares of the company's stock, making nou Systems, Inc. fully employee-owned.

The acquisition was financed through a loan agreement between the ESOP and Company, with the ESOP Trust using the borrowed funds to purchase the remaining shares. The ESOP loan will be repaid over time through contributions made by the company to the ESOP, which will then be used to service the debt

Management has evaluated the financial impact of this transition and does not believe it will result in any significant changes to the plan's obligations or benefit payments for the plan year under audit.

Date of Management's Review

The Plan has evaluated events through October 14, 2024, the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2023
EIN: 45-2815517; PLAN NUMBER: 002

(a) (b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
Common Stock			
* nou Systems, Inc.	Common Stock	\$ 739,401	\$ 1,798,079
Cash			
* Merit Bank	Cash	29,038	29,038
* Morgan Stanley	Morgan Stankey Bank N.A.	82,419	82,419
U.S. Treasury notes			
	U.S. Treasury note, 7.715% YTM, Matures 1/15/24	1,700,930	1,714,746

* Represents a party in interest to the Plan

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS
AS OF DECEMBER 31, 2023
EIN: 45-2815517; PLAN NUMBER: 002

(a) Identity of Party Involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Single transaction exceeding 5%								
United States Government	Treasury Note, Coupon Rate 0.625%, Maturity 1/15/2024	\$ 1,700,930	\$ -	\$ -	\$ -	\$ 1,700,930	\$ 1,714,746	\$ 13,816

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023 AND 2022

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS

Independent Auditors' Report

To the Plan Administrator of the
nou Systems, Inc. Employee Stock Ownership Plan

Opinion

We have audited the accompanying financial statements of nou Systems, Inc. Employee Stock Ownership Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statement of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of nou Systems, Inc. Employee Stock Ownership Plan as of December 31, 2023 and 2022, and the changes in net assets available for benefits for the year ended December 31, 2023 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of nou Systems, Inc. Employee Stock Ownership Plan and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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 nou Systems, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Supplemental Schedules Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules, Schedule of Assets (Held at End of Year) and Schedule of Reportable Transactions as of and for the year ended December 31, 2023, are presented for the purpose 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 the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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

Sincerely,

Anglin Reichmann Armstrong P.C.

CERTIFIED PUBLIC ACCOUNTANTS

October 14, 2024

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2023 AND 2022

ASSETS		
	2023	2022
Interest-bearing cash	\$ 111,457	\$ 999,935
Investments at fair value		
Investment in nou Systems, Inc.		
common stock at fair value	1,798,079	1,297,370
U.S. Treasury notes	1,714,746	-
Total investments	3,624,282	2,297,305
Receivables:		
Employer cash contributions	1,010,645	800,000
Distribution overpayment	1,403	-
Total Receivables	1,012,048	800,000
Total Assets	4,636,330	3,097,305
LIABILITIES		
Total Liabilities	-	-
Net Assets Available for Benefits	\$ 4,636,330	\$ 3,097,305

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

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2023

Additions to Net Assets Attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 530,944
Interest and dividends	<u>31,682</u>

Total Investment Income	<u>562,626</u>
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Contributions:

Cash	1,010,645
S-Corporation distributions	74,759
Distribution overpayment	<u>1,403</u>

Total Contributions	<u>1,086,807</u>
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Total Additions	<u>1,649,433</u>
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Deductions from Net Assets Attributed to:

Benefits paid to participants	57,893
Administrative expenses	<u>52,515</u>

Total Deductions	<u>110,408</u>
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Net Increase	1,539,025
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Net Assets Available for Benefits:

Beginning of Year	<u>3,097,305</u>
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End of Year	<u><u>\$ 4,636,330</u></u>
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The accompanying notes are an integral part of these financial statements.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note 1 - Description of Plan

The following description of the nou Systems, Inc. Employee Stock Ownership 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

Nou Systems, Inc. (the Company) established the nou Systems, Inc. Employee Stock Ownership Plan effective as of January 1, 2018, as a non-leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by the Plan Administrator who is the Founder and Chief Executive Officer of the Sponsor Company. The Plan Administrator has authority to control and manage the operation and administration of the Plan and has all powers necessary to enable it to carry out its duties. The Trustee is responsible for oversight of the Plan.

Eligibility

Participation in the Plan is available to all eligible employees of the Company who have one year of service and are age 21 or older, excluding employees of affiliate employers, leased employees, nonresident aliens, and employees covered by a collective bargaining agreement, as defined by the Plan. A participant will be eligible to receive an allocation of base and a discretionary contribution, forfeitures, earnings and losses, or stock dividends if they are still employed on the last day of the Plan year; however, if a participant is not actively employed on the last day of the Plan year by virtue of such participant's death, retirement on or after normal retirement age, or total and permanent disability in such Plan year, such participant shall share in the allocation of the discretionary contributions and forfeitures for that Plan year.

Contributions

Employer Discretionary Contributions - For each Plan year, the Company may contribute to the Plan the discretionary contribution in an amount as determined by the employer in cash or Sponsor Company stock. As of each anniversary date or other valuation date, the Administrator shall allocate the discretionary contribution to each active participant. The Company elected a \$1,000,000 employer discretionary contribution for the year ended December 31, 2023. All the contributions shall be allocated in the same proportion that each such participant's compensation for the year bears to the total compensation of all participants for such year.

S-Corporation Distributions - For each plan year, the Company contributes to the Plan the ESOP's share of S-Corporation distributions in an amount determined by the employer based on the tax distributions needed by the majority owners. The Company made \$74,759 in S-Corporation distributions to the plan for the year ended December 31, 2023. All S-Corporation distributions shall be allocated based on the participant's ownership of shares in the Sponsor Company.

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company. As of December 31, 2023 and 2022, Plan assets in the amount of \$394,986 and \$219,882 were allocated to accounts of persons who have terminated employment with the Company, respectively.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 1 - Description of Plan - Continued

Payment of Benefits - Continued

All distributions shall be made in shares of Company Stock, cash, or a combination thereof, as determined by the Administrator, and if distributed in shares of Company Stock, shall be subject to a requirement that such shares be sold to the Employer or Plan immediately upon distribution. Vested account balances with a minimum value of \$5,000 or less are distributed in a lump sum during the Plan year following the Plan year of separation. Vested accounts greater than \$5,000 are distributed in annual installment payments not to exceed five years or in a lump sum. Vested accounts with a value defined as a large balance may be distributed in approximately equal annual installments over a period of up to 10 years. The definition of large balance is indexed annually for cost-of-living increases. Distributions due to death are distributed to the beneficiaries by the end of the fifth year after death. Vested shares of Company Stock in a terminated participant's account to be transferred will be calculated based on the fair market value of the Company Stock for the Plan year that coincides with their date of termination.

Under the provisions of the Plan, the Plan is obligated to repurchase participant shares which have been distributed under the terms of the Plan as long as the shares are not publicly traded or if the shares are subject to trading limitations.

Voting Rights

All Company common shares held by the trust shall be voted by the Trustee in accordance with instructions from the Administrator. Notwithstanding the foregoing, participants and/or beneficiaries shall be entitled to direct the voting of any voting shares allocated to their Company Stock Accounts with respect to any vote required for the approval or disapproval of any corporate merger or consolidation, recapitalization, reclassification, liquidation, dissolution, sale of substantially all the assets of a trade or business, or other similar transactions prescribed by regulation. In accordance with instructions from the Committee, the Trustee shall vote any unallocated shares held by the trust, as well as any allocated shares for which a participant has failed to give timely voting direction.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the IRC. Upon termination of the Plan, the Committee should direct the Trustee to pay all liabilities and expenses of the trust fund.

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's Common Stock and cash contributed, S-Corporation distributions, and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation; provided, however, if a participant is not actively employed on the last day of a Plan year by virtue of such participant's death, retirement on or after normal retirement age, or total and permanent disability in such Plan year, such participant shall share in the allocation of the employer discretionary contribution for that Plan year.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 1 - Description of Plan - Continued

Participant Accounts - Continued

Allocations are based on a participant's eligible compensation, relative to total eligible compensation. As of each valuation date, before the current valuation period allocation of employer contributions and forfeitures, any earnings, or losses (net appreciation or net depreciation) of the trust fund shall be allocated in the same proportion that each participant's account bears to the total of all participants' accounts as of such date. Each account maintained on behalf of a participant shall be credited or charged with its separate earnings and losses.

Vesting

Participants vest 20% per year of service after completion of two years of service and are 100% vested after six years of creditable service. If a participant's employment with the Company ends for the following reasons, he or she will become 100% vested: the complete discontinuance of the employer contributions to the plan, full or partial termination of the Plan, the participant's attainment of normal retirement age, disability or death.

Put Option

If Company Stock is distributed to a participant and such Company Stock is not readily tradeable on an established securities market, a participant has a right to require the Company to repurchase the Company Stock distributed to such participant under a fair valuation formation.

The put option must be exercisable only by a participant, by the participant's donees, or by a person (including an estate or its distributee) to whom the Company Stock passes by reason of a participant's death. The put option must permit a participant to put the Company Stock to the Company. Under no circumstances may the put option bind the Plan. However, it shall grant the Plan an option to assume the rights and obligations of the Company at the time that the put option is exercised.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution.

Forfeitures

As of December 31, 2023 and 2022, forfeited nonvested accounts totaled \$134,490 and \$85,945, respectively. On or before each anniversary date, any amounts which became forfeitures since the last anniversary date may be made available to reinstate previously forfeited account balances of inactive participants, if any. The remaining Plan forfeitures, if any, shall be allocated each year among each participant's account otherwise eligible based upon the relation of the participant's compensation to total compensation for the Plan year. The forfeitures of terminated nonvested account balances allocated to remaining participants was \$33,609 in cash and 596.1 shares of Company stock for the year ended December 31, 2023.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

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

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 2 - Summary of Significant Accounting Policies - Continued

Cash

Cash includes cash held in readily available checking accounts and money market funds.

Use of Estimates

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

Investment Valuation and Income Recognition

The shares of Company Common Stock are reported at fair value. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividend income is accrued on the ex-dividend date. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Payment of Benefits

Benefit payments to participants are recorded when paid.

Administrative Expenses

As provided in the Plan Agreement, administrative expenses are paid by the Plan unless paid by the Company.

Note 3 - Administration of Plan Assets

The Plan's assets, which consist principally of Company common stock, are held by the Trustee of the Plan while other investments in non-Company investments are held in an account with Morgan Stanley Wealth Management. Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The Trustee also administers the payments of interest and principal on the loans, which are reimbursed to the Trustee through contributions as determined by the Company. Investments held by Morgan Stanley Wealth Management are overseen by the Company and transactions occurring between the Trustee and the investment account require authorization of the Company.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees and fees for annual valuation of the Company's common shares are paid directly by the Plan.

Note 4 - Investments

The Plan's investments in nou Systems, Inc. Employee Stock Ownership Plan common stock at December 31, 2023 and 2022 are presented in the following table:

	2023	2022
Number of shares	172,065	172,065
Cost	\$ 739,401	\$ 739,401
Estimated fair value	\$ 1,798,079	\$ 1,297,370

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements

Financial Accounting Standards Board (FASB) ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

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

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

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

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

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

U.S. Treasury notes: Valued based on current yield, prevailing market interest rates, remaining time to maturity.

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.

*nou Systems, Inc.'s Common Stock: The estimated fair value of the nou Systems, Inc. Common Stock held by the Plan is valued at estimated fair value based on an annual independent appraisal. This appraisal was based on an income valuation approach. The appraiser took into account historical and projected cash flow and net income, weighted average cost of capital, and applicable discounts and premiums.

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.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2023 and 2022:

	<u>Fair Value Measurements</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
<u>December 31, 2023</u>				
U.S. Treasury notes	\$ 1,714,746	-	-	\$ 1,714,746
*Common stock	-	-	1,798,079	1,798,079
Investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,798,079</u>	<u>\$ 3,512,825</u>
<u>December 31, 2022</u>				
*Common stock	<u>\$ -</u>	<u>-</u>	<u>1,297,370</u>	<u>\$ 1,297,370</u>
Investments at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,297,370</u>	<u>\$ 1,297,370</u>

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2023:

	<u>Level 3 Assets</u> <u>Year Ended</u> <u>December 31, 2023</u>
Balance, beginning of year	\$ 1,297,370
Stock contribution	-
Realized gains/(losses)	-
Unrealized gains/(losses) relating to instruments still held at the reporting date	500,709
Shares distributed	-
Sales	-
Balance, end of year	<u>\$ 1,798,079</u>
The amount of total gains or losses for the period attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	<u>\$ 500,709</u>

Gains and losses (realized and unrealized) included in changes in net assets available for benefits for the year ended December 31, 2023 are reported in net appreciation (depreciation) in fair value of investments in the statement of changes in net assets available for benefits.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 5 - Fair Value Measurements - Continued

The following table sets forth the basic assumptions used in arriving at estimated fair value and the range of value for unobservable inputs:

Description	Fair Value	Principal Valuation Technique	Unobservable Input
Sponsor Company Company Stock	\$ 1,798,079	Income	EBITDA, net income, weighted average cost of capital, discount rate, discount for lack of marketability
		Market	Public comparables, revenue multiple, EBITDA multiple, discount for lack of marketability

The estimated fair value of the Company's Common Stock held by the Plan is valued at fair value based on an annual independent appraisal. This appraisal was based on an income valuation approach as outlined in the above table.

The valuation process involves the Trustee's and Plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the internal financial statements of the Company. The appraiser prepares a preliminary report which Plan management, along with the Trustee, reviews in detail, discusses and approves.

Note 6 - Related-Party Transactions and Party in Interest Transactions

The Plan invests in the Company's Common Stock. This is a related party and party-in-interest transaction. As described in Notes 2, 3, and 4, the Plan has service providers. Such parties are parties-in-interest under ERISA.

Principal Life Insurance Company provides record keeping services for the Plan, therefore, these transactions qualify as party in interest transactions. The Plan made direct payments to the record keeper which were not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

Certain Plan investments held during the year included shares of mutual funds and exchange traded funds & closed-end funds managed by Morgan Stanley Wealth Management (MSWM). These transactions qualify as party in interest transactions.

Note 7 - 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 would become 100% vested in their employer contributions.

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2023 AND 2022

Note 8 - Income Tax Status

The IRS has determined and informed the Company by a letter dated March 6, 2020, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC).

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 if the Company has taken a significant uncertain position that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9 - Risks and Uncertainties

The Plan investments consist primarily of the Company's Common Stock, which is exposed to various risks, including interest rate, market, and credit risks, as well as valuation assumptions based on earnings and cash flows and/or other such techniques. Due to the level of risk associated with the investment in the Common Stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the Common Stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits

Note 10 - Subsequent Events

Amendment to the Plan

Effective March 2024, the Plan was amended to include years of service for employees of Propagation Research Associates, LLC. For purposes of eligibility and for vesting, all years of service shall be recognized including those years of service prior to the acquisition date.

Transition to Full ESOP

On April 30, 2024, subsequent to the plan year ending December 31, 2023, nou Systems, Inc. completed the process of transitioning to a 100% Employee Stock Ownership Plan (ESOP). As a result of this transaction, the ESOP Trust now holds all of the issued and outstanding shares of the company's stock, making nou Systems, Inc. fully employee-owned.

The acquisition was financed through a loan agreement between the ESOP and Company, with the ESOP Trust using the borrowed funds to purchase the remaining shares. The ESOP loan will be repaid over time through contributions made by the company to the ESOP, which will then be used to service the debt

Management has evaluated the financial impact of this transition and does not believe it will result in any significant changes to the plan's obligations or benefit payments for the plan year under audit.

Date of Management's Review

The Plan has evaluated events through October 14, 2024, the date on which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H, LINE 4I - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2023
EIN: 45-2815517; PLAN NUMBER: 002

(a) (b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Collateral, Par or Maturity Value	(d) Cost	(e) Current Value
Common Stock			
* nou Systems, Inc.	Common Stock	\$ 739,401	\$ 1,798,079
Cash			
* Merit Bank	Cash	29,038	29,038
* Morgan Stanley	Morgan Stankey Bank N.A.	82,419	82,419
U.S. Treasury notes			
	U.S. Treasury note, 7.715% YTM, Matures 1/15/24	1,700,930	1,714,746

* Represents a party in interest to the Plan

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS
AS OF DECEMBER 31, 2023
EIN: 45-2815517; PLAN NUMBER: 002

(a) Identity of Party Involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Single transaction exceeding 5%								
United States Government	Treasury Note, Coupon Rate 0.625%, Maturity 1/15/2024	\$ 1,700,930	\$ -	\$ -	\$ -	\$ 1,700,930	\$ 1,714,746	\$ 13,816

NOU SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
SCHEDULE H, LINE 4J - SCHEDULE OF REPORTABLE TRANSACTIONS
AS OF DECEMBER 31, 2023
EIN: 45-2815517; PLAN NUMBER: 002

(a) Identity of Party Involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Single transaction exceeding 5%								
United States Government	Treasury Note,							
	Coupon Rate							
	0.625%, Maturity 1/15/2024	\$ 1,700,930	\$ -	\$ -	\$ -	\$ 1,700,930	\$ 1,714,746	\$ 13,816