# 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**

## 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.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

**D** Check box if filing under:
- [X] 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
MEDBRIDGE 401(K) PLAN

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 01/01/2020

**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)
MEDBRIDGE DEVELOPMENT COMPANY LP

121 GRAY AVE
SUITE 200
SANTA BARBARA, CA 93101

**2b** Employer Identification Number (EIN) 77-0454805

**2c** Plan Sponsor's telephone number 805-679-6729

**2d** Business code (see instructions) 541990

**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 | ALLISON BRECHER |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

**3a** Plan administrator's name and address [X] 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

**4b** EIN

**c** Plan Name

**4d** PN

| | | | |
|---|---|---|---|
| **5** | Total number of participants at the beginning of the plan year | **5** | 185 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 119 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 197 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 0 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 197 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 0 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 197 |
| **g(1)** | Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) | **6g(1)** | 172 |
| **g(2)** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g(2)** | 197 |
| **h** | Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2A 2E 2F 2G 2J 2K 2S 2T 3D 3B 3H

**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)** [X] 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)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- **(4)** [ ] **DCG** (Individual Plan Information) – Number Attached _____
- **(5)** [ ] **MEP** (Multiple-Employer Retirement Plan Information)

**b General Schedules**

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information) – Number Attached 0
- **(4)** [X] **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) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2023**<br>**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 | **B** Three-digit plan number (PN) ▶ | |
|---|---|---|
| MEDBRIDGE 401(K) PLAN | | 001 |
| **C** Plan sponsor's name as shown on line 2a of Form 5500 | **D** Employer Identification Number (EIN) | |
| MEDBRIDGE DEVELOPMENT COMPANY LP | 77-0454805 | |

## Part I Service Provider Information (see instructions)

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

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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**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)

VESTWELL

360 MADISON AVENUE, 15TH FLOOR
NEW YORK, NY 10017

81-3062212

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 13 27 51 | RECORDKEEPER | 16714 | Yes [ ] No [X] | 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 |
|---|---|---|
| | | |

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

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

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

## Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

**a** Name:

**b** EIN:

**c** Position:

**d** Address:

**e** Telephone:

Explanation:

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**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
MEDBRIDGE 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
MEDBRIDGE DEVELOPMENT COMPANY LP

**D** Employer Identification Number (EIN)
77-0454805

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 11748 | 24955 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | | |
| **(2)** Participant contributions | 1b(2) | 0 | 0 |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 6366 | 0 |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | 838 | 0 |
| **(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) | 2525189 | 3399009 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | | |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 2544141 | 3423964 |
| | **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 through1j) | 1k | 0 | 0 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 2544141 | 3423964 |

## 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.

| | | | (a) Amount | (b) Total |
|---|---|---|---|---|
| | **Income** | | | |
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | | |
| | **(B)** Participants | 2a(1)(B) | 428782 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 29020 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 457802 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | 25 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 25 |
| | **(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) | 81138 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 81138 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 0 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | | |
| | **(B)** Other | 2b(5)(B) | | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | 0 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| **(6)** Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| **(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) | | 534370 |
| **c** Other income | 2c | | |
| **d** Total income. Add all **income** amounts in column (b) and enter total | 2d | | 1073335 |
| **Expenses** | | | |
| **e** Benefit payment and payments to provide benefits: | | | |
| **(1)** Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 175612 | |
| **(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) | | 175612 |
| **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) | 17900 | |
| **(4)** IQPA audit fees | 2i(4) | | |
| **(5)** Investment advisory and investment management fees | 2i(5) | | |
| **(6)** Bank or trust company trustee/custodial fees | 2i(6) | | |
| **(7)** Actuarial fees | 2i(7) | | |
| **(8)** Legal fees | 2i(8) | | |
| **(9)** Valuation/appraisal fees | 2i(9) | | |
| **(10)** Other trustee fees and expenses | 2i(10) | | |
| **(11)** Other expenses | 2i(11) | | |
| **(12)** Total administrative expenses. Add lines **2i(1)** through **(11)** | 2i(12) | | 17900 |
| **j** Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 193512 |
| **Net Income and Reconciliation** | | | |
| **k** Net income (loss). Subtract line **2j** from line **2d** | 2k | | 879823 |
| **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)** [X] 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)** [X] 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: HUTCHINSON AND BLOODGOOD LLP **(2)** EIN: 95-0858589

**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.) | **4a** | | X | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | **4b** | | X | |
| **c** Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | **4c** | | X | |
| **d** Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | **4d** | | X | |
| **e** Was this plan covered by a fidelity bond? | **4e** | X | | 150000 |
| **f** Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | **4f** | | X | |
| **g** Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4g** | | X | |
| **h** Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | **4h** | | X | |
| **i** Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | **4i** | X | | |
| **j** Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) | **4j** | | X | |
| **k** Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | **4k** | | X | |
| **l** Has the plan failed to provide any benefit when due under the plan? | **4l** | | X | |
| **m** If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | **4m** | | X | |
| **n** If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | **4n** | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? [ ] Yes [ ] No

If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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

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

**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
MEDBRIDGE 401(K) PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
MEDBRIDGE DEVELOPMENT COMPANY LP

**D** Employer Identification Number (EIN)
77-0454805

## 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): 75-3182674

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ..... **3**

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6 a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

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

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

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11 a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

| | | |
|---|---|---|
| **a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment) | **14a** | |
| **b** The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14b** | |
| **c** The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) | **14c** | |

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

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

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

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

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

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

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

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

**a** Enter the percentage of plan assets held as:

Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%

High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

**b** Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more

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

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

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

☐ Yes.

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

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

☐ No. Other. Provide explanation._____

## Part VII IRS Compliance Questions

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

**21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☒ "Prior year" ADP test

☒ "Current year" ADP test

☐ N/A

**22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 03 / 20 / 2022 (MM/DD/YYYY) and the Opinion Letter serial number Q704722A .

# MEDBRIDGE 401(K) PLAN

Financial Statements and Supplemental Schedule
December 31, 2023 and 2022

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YOUR PARTNER FOR SUCCESS
SINCE 1922

(805) 963-1837
200 E. Carrillo St., Suite 303
Santa Barbara, CA 93101

**INDEPENDENT AUDITORS' REPORT**

To the Administrative Committee of
Medbridge 401(k) Plan

**Scope and Nature of the ERISA Section 103(a)(3)(C) Audit**
We have performed audits of the accompanying financial statements of Medbridge 401(k) Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

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

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2023 and 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

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

- The amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

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

**Responsibilities of Management for the Financial Statements**
Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

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

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 Medbridge 401(k) Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Medbridge 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

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

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

**Other Matter - Supplemental Schedule Required by ERISA**

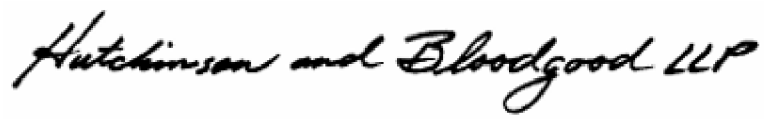
The supplemental schedule of assets (held at end of year) as of December 31, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure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

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

In our opinion:

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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



Santa Barbara, California
October 11, 2024

## MEDBRIDGE 401(K) PLAN

Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

| | 2023 | 2022 |
|---|---|---|
| **ASSETS** | | |
| Investments, at fair value | | |
| Cash and cash equivalents | **$ 24,955** | $ 18,114 |
| Interest in registered investment companies | **3,399,009** | 2,525,189 |
| Total investments | **3,423,964** | 2,543,303 |
| Receivables | | |
| Notes receivable from participants | **5,567** | 838 |
| Participant contributions receivable | **14,910** | -- |
| Total receivables | **20,477** | 838 |
| **TOTAL ASSETS** | **3,444,441** | 2,544,141 |
| **NET ASSETS AVAILABLE FOR BENEFIT** | **$ 3,444,441** | $ 2,544,141 |

*The Notes to Financial Statements are an integral part of these statements.*

## MEDBRIDGE 401(K) PLAN

Statement of Changes in Net Assets Available for Benefits
December 31, 2023

| | |
|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO** | |
| Contributions | |
| Participant | **$ 443,692** |
| Rollovers | **29,020** |
| Total contributions | **472,712** |
| Investment gain | |
| Dividends | **81,138** |
| Net increase in fair value of investments | **555,859** |
| Total investment gain | **636,997** |
| Interest income on notes receivable from participants | **16** |
| Total additions | **1,109,725** |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO** | |
| Benefits paid to participants | **176,418** |
| Administrative expenses | **17,899** |
| Other | **15,108** |
| Total benefit payments and expenses | **209,425** |
| Net increase in net assets available for benefits | **900,300** |
| **NET ASSETS AVAILABLE FOR BENEFITS** | |
| Beginning of year | **2,544,141** |
| End of year | **$ 3,444,441** |

## NOTE 1. PLAN DESCRIPTION

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

**General:** The Plan is a defined contribution plan covering all employees of MedBridge Development Company, LLC, MedBridge Ventures, LLC, and Hippocrates, Inc. (collectively the "Company").

Employees are eligible to participate in the Plan on the next entry date after being hired. The entry dates are the first day of each month. The Plan was amended on January 1, 2022. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Administration of the Plan:** Pursuant to a services agreement, Matrix Trust Company is the Trustee of the Plan. Vestwell serves as the custodian and they execute most of the administrative activities of the Plan.

**Contributions:** Each year, participants may contribute up to 100% of pre-tax annual compensation, as defined in the Plan, subject to the annual limitation imposed by the Internal Revenue Code (IRC), which was $22,500 for 2023. Under IRC regulations, participants who have obtained age 50 before the end of the plan year are eligible to make additional catch-up contributions of up to $7,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants may change or suspend their salary deduction amount at any time.

Participants may direct their contributions into any of the investment funds offered under contract with the trustee. Participants may change their investment choices at any time.

The Company can make matching and discretionary contributions to the Plan. The percentage of elective deferrals to be matched are determined annually by the Company and allocated to participants with each pay period. There were no employer match discretionary contributions for the 2023 plan year.

**Participant Accounts:** A separate account is maintained for each participant. Each participant's account is credited with the participant's contribution and is charged with certain administrative expenses. Contributions are allocated in accordance with participant allocation elections.

Net appreciation or depreciation of investments are credited or charged to participant accounts based upon the increase or decrease in the market value per unit of investments held. Dividend and interest income is credited to participant accounts based upon units of investments held. The benefits to which a participant is entitled are the benefits that can be provided from a participant's account.

**NOTE 1. PLAN DESCRIPTION (CONTINUED)**

**Vesting:** Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in any Company contributions plus actual earnings thereon is based on elapsed time. A participant becomes vested in the Employer's contributions in accordance with the following schedule:

| Years of Service | Vested Percentage |
|---|---|
| Less than 1 year | 0% |
| 1 year | 25% |
| 2 years | 50% |
| 3 years | 75% |
| 4 or more years | 100% |

**Notes Receivable from Participants:** Participants may borrow from their account a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or one-half of their vested account balance. Loans are for a maximum of five. The loans are secured by the balance in the participant's account and bear interest at a fixed rate which is determined at the date of issuance. The participant loans at December 31, 2023 had a rate of 4.25% which was commensurate with local prevailing rates as determined by the plan administrator for loans with like circumstances. Principal and interest are paid through payroll deduction or by payment to the Company. Participants may only have one loan outstanding at any given time.

**Payment of Benefits:** On termination of service due to death, disability, retirement, or termination of employment, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum amount. As of December 31, 2023, all participants who elected to withdraw from the Plan and requested a distribution of their account had received a distribution from the Plan.

**Forfeitures:** Forfeitures are available to pay plan administrative expenses and matching contributions. Forfeitures for the year ended December 31, 2023, were $806. There were no unallocated forfeitures as of December 31, 2023. Unallocated forfeitures as of December 31, 2022 were $6,381.

**Administrative Expenses:** The Company made payments on behalf of the Plan related to administrative expenses for the 2023 plan year in the amount of $21,700.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Use of Estimates and Basis of Accounting:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) require the Plan's administrator and management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment Valuation and Income Recognition:** The Plan's investments in registered investment companies (exchange traded funds) are traded on a national securities exchange are stated at fair value on the basis of the closing quoted price on the last trading day of the year. Purchases and sales of securities are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis.

The net appreciation or depreciation in the fair value of investments is reflected in the statement of changes in net assets available for Plan benefits.

**Fair Value Measurements:** The Financial Accounting Standards Board's Accounting Standard Codification 820, *Fair Value Measurements and Disclosures* (ASC 820), defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. Pursuant to ASC 820, assets and liabilities recorded at fair value are categorized based upon the level of judgment associated with the inputs used to measure fair value. ASC 820 establishes a three-level fair value hierarchy that describes the inputs that are used to measure the fair values of respective assets and liabilities. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

**Level 1 –** Quoted prices are available in active markets for identical investments as of the reporting date.

**Level 2 –** Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

**Level 3 –** Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

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

The following is a description of the valuation methodologies used for assets measured at fair value.

**Cash Equivalents (Money Market Funds):** Valued at face value (Level 1)

**Interest in Registered Investment Companies (Exchange traded funds):** Valued at the net asset value (NAV) of shares held by the Plan at the reporting date. The per-share value is the closing price reported on the close of the business day. (Level 1)

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Notes Receivable from Participants:** Notes receivable from participants are measured at their unpaid principal balance plus any accrued, but unpaid interest. Interest income is recorded on an accrual basis. Delinquent participant loans are recorded as distributions to participants.

**Payment of Benefits:** Benefits are recorded when paid.

**Subsequent Events:** Management has evaluated subsequent events through October 11, 2024, the date that the financial statements were available to be issued.

**NOTE 3. FAIR VALUE MEASUREMENTS**

The following table sets forth, by level within the fair value hierarchy, the Plan investment assets at fair value as of December 31, 2023.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Registered investment companies:** | | | | |
| **Cash equivalents** | **$ 24,955** | **$ --** | **$ --** | **$ 24,955** |
| **Interest in exchange traded funds** | | | | |
| **Large cap equity funds** | **2,413,656** | **--** | **--** | **2,413,656** |
| **Small cap equity funds** | **115,497** | **--** | **--** | **115,497** |
| **Fixed income funds** | **712,737** | **--** | **--** | **712,737** |
| **Global equity funds** | **157,119** | **--** | **--** | **157,119** |
| | **$ 3,423,964** | **$ --** | **$ --** | **$ 3,423,964** |

The following table sets forth, by level within the fair value hierarchy, the Plan investment assets at fair value as of December 31, 2022.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Registered investment companies: | | | | |
| Cash equivalents | $ 18,114 | $ -- | $ -- | $ 18,114 |
| Interest in exchange traded funds | | | | |
| Large cap equity funds | 1,631,000 | -- | -- | 1,631,000 |
| Small cap equity funds | 99,267 | -- | -- | 99,267 |
| Fixed income funds | 253,921 | -- | -- | 253,921 |
| Global equity funds | 541,001 | -- | -- | 541,001 |
| | $ 2,543,303 | $ -- | $ -- | $ 2,543,303 |

## NOTE 4. PLAN TERMINATION

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their employer contribution.

## NOTE 5. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

The Matrix Trust Company is the trustee of the Plan and certified certain information as of and for the years ended December 31, 2023 and 2022. The certified information was not audited in accordance with the plan administrator's instructions and as permitted by Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Information included in the accompanying financial statements and supplementary schedules, certified by the Trustee, consists of the following as of and for the years ended December 31,:

| | **2023** | 2022 |
|---|---|---|
| Cash | **$ 24,955** | $ 18,114 |
| Exchange trade funds | **$ 3,399,009** | $ 2,525,189 |
| Notes receivable from participants | **$ 5,567** | $ 838 |
| Interest income on notes receivables from participants | **$ 16** | $ 70 |
| Net investment income (loss) | **$ 636,997** | $ (528,926) |

## NOTE 6. INCOME TAX STATUS

The Plan obtained an opinion letter on March 14, 2022, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The plan administrator believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, they believe the Plan was qualified and the related trust was tax-exempt as of the financial statement date. As a result, the Plan has not provided for Federal or applicable state income taxes.

**Uncertain Tax Positions:** U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a liability if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the taxing authorities. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, the plan administrator believes that the Plan is no longer subject to income tax examinations for years prior to December 31, 2020.

## NOTE 7. CONCENTRATIONS

As of December 31, 2023, the Plan held three investments that account for approximately 53% of net assets available for benefits.

## NOTE 8. RISKS AND UNCERTAINTIES

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

The Plan's exposure to credit loss in the event of non-performance of investments is limited to the carrying value of such investments. The Plan's provisions as well as those of ERISA and the participants' investment preference dictate the Plan's concentration of credit and market risk.

## NOTE 9. PARTY-IN-INTEREST TRANSACTIONS

Matrix Trust Company is the trustee and Vestwell is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Certain plan administrative functions are performed by employees of the Company at no charge to the plan. Fees paid by the Plan for administrative services to Vestwell were $17,900 for the year ended December 31, 2023.

## NOTE 10. RECONCILING OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2023 to Form 5500:

| | 2023 |
|---|---|
| Net assets available for benefits per financial statements | **$ 3,444,441** |
| Less: participant contribution receivable | **(14,910)** |
| Less: notes receivable from participants | **(5,567)** |
| Net assets available for benefits per the Form 5500 | **$ 3,423,964** |

The following is a reconciliation of participant contributions per the financial statements at December 31, 2023 to Form 5500:

| | 2023 |
|---|---|
| Total participant contributions per the financial statements | **$ 443,692** |
| Less: participant contribution receivable | **(14,910)** |
| Total participant contributions per the 5500 | **$ 428,782** |

# SUPPLEMENTAL SCHEDULE

**MEDBRIDGE 401(K) PLAN**

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
E.I.N. 77-0454805, Plan No. 001
December 31, 2023

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **PARTICIPANT LOANS** | | | |
| * | Participant loans | Interest rate: 4.25%, maturing 2024-2026 | -0- | 5,567 |
| | **CASH AND CASH EQUIVALENTS** | | | |
| | Cash and cash equivalents | Cash and cash equivalents | | 24,955 |
| | **EXCHANGE TRADED FUNDS** | | | |
| | Ishares broad usd high yield | Exchange traded fund | | 50 |
| | Ishares core s&p small-cap etf | Exchange traded fund | | 115,367 |
| | Ishares core s&p 500 etf | Exchange traded fund | | 77,471 |
| | Ishares intl aggregate bond | Exchange traded fund | | 15,338 |
| | Ishares core us aggregate bond etf | Exchange traded fund | | 46,717 |
| | Schwab international equity etf | Exchange traded fund | | 157,119 |
| | Schwab us broad market etf | Exchange traded fund | | 80,974 |
| | Schwab us large-cap growth etf | Exchange traded fund | | 99,048 |
| | Spdr s&p 600 s/c value fund | Exchange traded fund | | 3,285 |
| | Spdr s&p 600 small cap growth | Exchange traded fund | | 80 |
| | Vanguard ftse emerging markets etf | Exchange traded fund | | 52,656 |
| | Vanguard value etf | Exchange traded fund | | 93,552 |
| | **MUTUAL FUNDS** | | | |
| | Schwab us treasury inflation | Mutual fund | | 5,165 |
| | Schwab us aggregate bond index | Mutual fund | | 214,368 |
| | Schwab total stock market index | Mutual fund | | 639,219 |
| | Vanguard emerg mkts bnd-adm | Mutual fund | | 1,567 |
| | Fidelity emerging markets idx instl prm | Mutual fund | | 201,589 |
| | Fidelity international index instlprm | Mutual fund | | 509,131 |
| | Fidelity long-term trs bd idx instl prm | Mutual fund | | 199,691 |
| | Fidelity total market index instl prem | Mutual fund | | 655,164 |
| | Fidelity us bond index instl prem | Mutual fund | | 231,458 |
| | Total Investments | | | 3,399,009 |
| | Total | | | $ 3,429,531 |

* Represents a party-in-interests
** Cost omitted in accordance with Department of Labor's reporting requirements for participant-directed accounts.

# MEDBRIDGE 401(K) PLAN

Financial Statements and Supplemental Schedule
December 31, 2023 and 2022

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SINCE 1922

(805) 963-1837
200 E. Carrillo St., Suite 303
Santa Barbara, CA 93101

**INDEPENDENT AUDITORS' REPORT**

To the Administrative Committee of
Medbridge 401(k) Plan

**Scope and Nature of the ERISA Section 103(a)(3)(C) Audit**
We have performed audits of the accompanying financial statements of Medbridge 401(k) Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statement of changes in net assets available for benefits for the year ended December 31, 2023, and the related notes to the financial statements.

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

Management has obtained certifications from a qualified institution as of and for the years ended December 31, 2023 and 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

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

- The amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

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

**Responsibilities of Management for the Financial Statements**
Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

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

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

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 Medbridge 401(k) Plan's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Medbridge 401(k) Plan's ability to continue as a going concern for a reasonable period of time.

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

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

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

**Other Matter - Supplemental Schedule Required by ERISA**

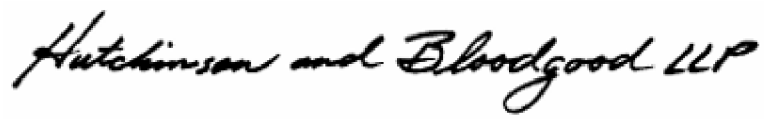
The supplemental schedule of assets (held at end of year) as of December 31, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure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

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

In our opinion:

- the form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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



Santa Barbara, California
October 11, 2024

## MEDBRIDGE 401(K) PLAN

Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

| | 2023 | 2022 |
|---|---|---|
| **ASSETS** | | |
| Investments, at fair value | | |
| Cash and cash equivalents | **$ 24,955** | $ 18,114 |
| Interest in registered investment companies | **3,399,009** | 2,525,189 |
| Total investments | **3,423,964** | 2,543,303 |
| Receivables | | |
| Notes receivable from participants | **5,567** | 838 |
| Participant contributions receivable | **14,910** | -- |
| Total receivables | **20,477** | 838 |
| **TOTAL ASSETS** | **3,444,441** | 2,544,141 |
| **NET ASSETS AVAILABLE FOR BENEFIT** | **$ 3,444,441** | $ 2,544,141 |

*The Notes to Financial Statements are an integral part of these statements.*

## MEDBRIDGE 401(K) PLAN

Statement of Changes in Net Assets Available for Benefits
December 31, 2023

| | |
|---|---|
| **ADDITIONS TO NET ASSETS ATTRIBUTED TO** | |
| Contributions | |
| Participant | **$ 443,692** |
| Rollovers | **29,020** |
| Total contributions | **472,712** |
| Investment gain | |
| Dividends | **81,138** |
| Net increase in fair value of investments | **555,859** |
| Total investment gain | **636,997** |
| Interest income on notes receivable from participants | **16** |
| Total additions | **1,109,725** |
| **DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO** | |
| Benefits paid to participants | **176,418** |
| Administrative expenses | **17,899** |
| Other | **15,108** |
| Total benefit payments and expenses | **209,425** |
| Net increase in net assets available for benefits | **900,300** |
| **NET ASSETS AVAILABLE FOR BENEFITS** | |
| Beginning of year | **2,544,141** |
| End of year | **$ 3,444,441** |

## NOTE 1. PLAN DESCRIPTION

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

**General:** The Plan is a defined contribution plan covering all employees of MedBridge Development Company, LLC, MedBridge Ventures, LLC, and Hippocrates, Inc. (collectively the "Company").

Employees are eligible to participate in the Plan on the next entry date after being hired. The entry dates are the first day of each month. The Plan was amended on January 1, 2022. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Administration of the Plan:** Pursuant to a services agreement, Matrix Trust Company is the Trustee of the Plan. Vestwell serves as the custodian and they execute most of the administrative activities of the Plan.

**Contributions:** Each year, participants may contribute up to 100% of pre-tax annual compensation, as defined in the Plan, subject to the annual limitation imposed by the Internal Revenue Code (IRC), which was $22,500 for 2023. Under IRC regulations, participants who have obtained age 50 before the end of the plan year are eligible to make additional catch-up contributions of up to $7,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants may change or suspend their salary deduction amount at any time.

Participants may direct their contributions into any of the investment funds offered under contract with the trustee. Participants may change their investment choices at any time.

The Company can make matching and discretionary contributions to the Plan. The percentage of elective deferrals to be matched are determined annually by the Company and allocated to participants with each pay period. There were no employer match discretionary contributions for the 2023 plan year.

**Participant Accounts:** A separate account is maintained for each participant. Each participant's account is credited with the participant's contribution and is charged with certain administrative expenses. Contributions are allocated in accordance with participant allocation elections.

Net appreciation or depreciation of investments are credited or charged to participant accounts based upon the increase or decrease in the market value per unit of investments held. Dividend and interest income is credited to participant accounts based upon units of investments held. The benefits to which a participant is entitled are the benefits that can be provided from a participant's account.

**NOTE 1. PLAN DESCRIPTION (CONTINUED)**

**Vesting:** Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in any Company contributions plus actual earnings thereon is based on elapsed time. A participant becomes vested in the Employer's contributions in accordance with the following schedule:

| Years of Service | Vested Percentage |
|---|---|
| Less than 1 year | 0% |
| 1 year | 25% |
| 2 years | 50% |
| 3 years | 75% |
| 4 or more years | 100% |

**Notes Receivable from Participants:** Participants may borrow from their account a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or one-half of their vested account balance. Loans are for a maximum of five. The loans are secured by the balance in the participant's account and bear interest at a fixed rate which is determined at the date of issuance. The participant loans at December 31, 2023 had a rate of 4.25% which was commensurate with local prevailing rates as determined by the plan administrator for loans with like circumstances. Principal and interest are paid through payroll deduction or by payment to the Company. Participants may only have one loan outstanding at any given time.

**Payment of Benefits:** On termination of service due to death, disability, retirement, or termination of employment, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in a lump-sum amount. As of December 31, 2023, all participants who elected to withdraw from the Plan and requested a distribution of their account had received a distribution from the Plan.

**Forfeitures:** Forfeitures are available to pay plan administrative expenses and matching contributions. Forfeitures for the year ended December 31, 2023, were $806. There were no unallocated forfeitures as of December 31, 2023. Unallocated forfeitures as of December 31, 2022 were $6,381.

**Administrative Expenses:** The Company made payments on behalf of the Plan related to administrative expenses for the 2023 plan year in the amount of $21,700.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Use of Estimates and Basis of Accounting:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) require the Plan's administrator and management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Investment Valuation and Income Recognition:** The Plan's investments in registered investment companies (exchange traded funds) are traded on a national securities exchange are stated at fair value on the basis of the closing quoted price on the last trading day of the year. Purchases and sales of securities are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Income from other investments is recorded as earned on an accrual basis.

The net appreciation or depreciation in the fair value of investments is reflected in the statement of changes in net assets available for Plan benefits.

**Fair Value Measurements:** The Financial Accounting Standards Board's Accounting Standard Codification 820, *Fair Value Measurements and Disclosures* (ASC 820), defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. Pursuant to ASC 820, assets and liabilities recorded at fair value are categorized based upon the level of judgment associated with the inputs used to measure fair value. ASC 820 establishes a three-level fair value hierarchy that describes the inputs that are used to measure the fair values of respective assets and liabilities. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

**Level 1 –** Quoted prices are available in active markets for identical investments as of the reporting date.

**Level 2 –** Pricing inputs, including broker quotes, are generally those other than exchange quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

**Level 3 –** Pricing inputs are unobservable for the investment and includes situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

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

The following is a description of the valuation methodologies used for assets measured at fair value.

**Cash Equivalents (Money Market Funds):** Valued at face value (Level 1)

**Interest in Registered Investment Companies (Exchange traded funds):** Valued at the net asset value (NAV) of shares held by the Plan at the reporting date. The per-share value is the closing price reported on the close of the business day. (Level 1)

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**Notes Receivable from Participants:** Notes receivable from participants are measured at their unpaid principal balance plus any accrued, but unpaid interest. Interest income is recorded on an accrual basis. Delinquent participant loans are recorded as distributions to participants.

**Payment of Benefits:** Benefits are recorded when paid.

**Subsequent Events:** Management has evaluated subsequent events through October 11, 2024, the date that the financial statements were available to be issued.

**NOTE 3. FAIR VALUE MEASUREMENTS**

The following table sets forth, by level within the fair value hierarchy, the Plan investment assets at fair value as of December 31, 2023.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| **Registered investment companies:** | | | | |
| **Cash equivalents** | **$ 24,955** | **$ --** | **$ --** | **$ 24,955** |
| **Interest in exchange traded funds** | | | | |
| **Large cap equity funds** | **2,413,656** | **--** | **--** | **2,413,656** |
| **Small cap equity funds** | **115,497** | **--** | **--** | **115,497** |
| **Fixed income funds** | **712,737** | **--** | **--** | **712,737** |
| **Global equity funds** | **157,119** | **--** | **--** | **157,119** |
| | **$ 3,423,964** | **$ --** | **$ --** | **$ 3,423,964** |

The following table sets forth, by level within the fair value hierarchy, the Plan investment assets at fair value as of December 31, 2022.

| | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Registered investment companies: | | | | |
| Cash equivalents | $ 18,114 | $ -- | $ -- | $ 18,114 |
| Interest in exchange traded funds | | | | |
| Large cap equity funds | 1,631,000 | -- | -- | 1,631,000 |
| Small cap equity funds | 99,267 | -- | -- | 99,267 |
| Fixed income funds | 253,921 | -- | -- | 253,921 |
| Global equity funds | 541,001 | -- | -- | 541,001 |
| | $ 2,543,303 | $ -- | $ -- | $ 2,543,303 |

## NOTE 4. PLAN TERMINATION

The Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their employer contribution.

## NOTE 5. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

The Matrix Trust Company is the trustee of the Plan and certified certain information as of and for the years ended December 31, 2023 and 2022. The certified information was not audited in accordance with the plan administrator's instructions and as permitted by Section 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Information included in the accompanying financial statements and supplementary schedules, certified by the Trustee, consists of the following as of and for the years ended December 31,:

| | **2023** | 2022 |
|---|---|---|
| Cash | **$ 24,955** | $ 18,114 |
| Exchange trade funds | **$ 3,399,009** | $ 2,525,189 |
| Notes receivable from participants | **$ 5,567** | $ 838 |
| Interest income on notes receivables from participants | **$ 16** | $ 70 |
| Net investment income (loss) | **$ 636,997** | $ (528,926) |

## NOTE 6. INCOME TAX STATUS

The Plan obtained an opinion letter on March 14, 2022, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The plan administrator believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, they believe the Plan was qualified and the related trust was tax-exempt as of the financial statement date. As a result, the Plan has not provided for Federal or applicable state income taxes.

**Uncertain Tax Positions:** U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a liability if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the taxing authorities. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, the plan administrator believes that the Plan is no longer subject to income tax examinations for years prior to December 31, 2020.

## NOTE 7. CONCENTRATIONS

As of December 31, 2023, the Plan held three investments that account for approximately 53% of net assets available for benefits.

## NOTE 8. RISKS AND UNCERTAINTIES

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

The Plan's exposure to credit loss in the event of non-performance of investments is limited to the carrying value of such investments. The Plan's provisions as well as those of ERISA and the participants' investment preference dictate the Plan's concentration of credit and market risk.

## NOTE 9. PARTY-IN-INTEREST TRANSACTIONS

Matrix Trust Company is the trustee and Vestwell is the custodian as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Certain plan administrative functions are performed by employees of the Company at no charge to the plan. Fees paid by the Plan for administrative services to Vestwell were $17,900 for the year ended December 31, 2023.

## NOTE 10. RECONCILING OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2023 to Form 5500:

| | 2023 |
|---|---|
| Net assets available for benefits per financial statements | **$ 3,444,441** |
| Less: participant contribution receivable | **(14,910)** |
| Less: notes receivable from participants | **(5,567)** |
| Net assets available for benefits per the Form 5500 | **$ 3,423,964** |

The following is a reconciliation of participant contributions per the financial statements at December 31, 2023 to Form 5500:

| | 2023 |
|---|---|
| Total participant contributions per the financial statements | **$ 443,692** |
| Less: participant contribution receivable | **(14,910)** |
| Total participant contributions per the 5500 | **$ 428,782** |

# SUPPLEMENTAL SCHEDULE

**MEDBRIDGE 401(K) PLAN**

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
E.I.N. 77-0454805, Plan No. 001
December 31, 2023

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value | (d) Cost | (e) Current Value |
|---|---|---|---|---|
| | **PARTICIPANT LOANS** | | | |
| * | Participant loans | Interest rate: 4.25%, maturing 2024-2026 | -0- | 5,567 |
| | **CASH AND CASH EQUIVALENTS** | | | |
| | Cash and cash equivalents | Cash and cash equivalents | | 24,955 |
| | **EXCHANGE TRADED FUNDS** | | | |
| | Ishares broad usd high yield | Exchange traded fund | | 50 |
| | Ishares core s&p small-cap etf | Exchange traded fund | | 115,367 |
| | Ishares core s&p 500 etf | Exchange traded fund | | 77,471 |
| | Ishares intl aggregate bond | Exchange traded fund | | 15,338 |
| | Ishares core us aggregate bond etf | Exchange traded fund | | 46,717 |
| | Schwab international equity etf | Exchange traded fund | | 157,119 |
| | Schwab us broad market etf | Exchange traded fund | | 80,974 |
| | Schwab us large-cap growth etf | Exchange traded fund | | 99,048 |
| | Spdr s&p 600 s/c value fund | Exchange traded fund | | 3,285 |
| | Spdr s&p 600 small cap growth | Exchange traded fund | | 80 |
| | Vanguard ftse emerging markets etf | Exchange traded fund | | 52,656 |
| | Vanguard value etf | Exchange traded fund | | 93,552 |
| | **MUTUAL FUNDS** | | | |
| | Schwab us treasury inflation | Mutual fund | | 5,165 |
| | Schwab us aggregate bond index | Mutual fund | | 214,368 |
| | Schwab total stock market index | Mutual fund | | 639,219 |
| | Vanguard emerg mkts bnd-adm | Mutual fund | | 1,567 |
| | Fidelity emerging markets idx instl prm | Mutual fund | | 201,589 |
| | Fidelity international index instlprm | Mutual fund | | 509,131 |
| | Fidelity long-term trs bd idx instl prm | Mutual fund | | 199,691 |
| | Fidelity total market index instl prem | Mutual fund | | 655,164 |
| | Fidelity us bond index instl prem | Mutual fund | | 231,458 |
| | Total Investments | | | 3,399,009 |
| | Total | | | $ 3,429,531 |

* Represents a party-in-interests
** Cost omitted in accordance with Department of Labor's reporting requirements for participant-directed accounts.