

Form 5500-SF

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.**

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 single-employer plan a multiple-employer plan (not multiemployer) (Pension Plan filers checking this box must attach Schedule MEP. Other plans must attach a list of participating employer information in accordance with the form instructions.)
- 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** Check box if filing under: Form 5558 automatic extension DFVC program
 special extension (enter description)
- D** If the plan is a collectively-bargained plan, check here ▶
- 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 CAREY PAUL, INC. 401(K) PLAN	1b Three-digit plan number (PN) ▶	001
	1c Effective date of plan	08/01/1986
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) CAREY PAUL, INC. 3430 HWY 78 W SNELLVILLE, GA 30078	2b Employer Identification Number (EIN)	58-0840045
	2c Sponsor's telephone number	770-985-1444
	2d Business code (see instructions)	441110
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5a Total number of participants at the beginning of the plan year	5a	179
b Total number of participants at the end of the plan year.....	5b	168
c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	5c(1)	80
c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	5c(2)	81
d(1) Total number of active participants at the beginning of the plan year.....	5d(1)	121
d(2) Total number of active participants at the end of the plan year.....	5d(2)	113
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	5e	6

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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.	10/16/2024	MICHELLE OVERWAY
	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

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)..... Yes No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)..... Yes No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____ (See instructions.)

Part III Financial Information			
7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	2475797	2857397
b Total plan liabilities	7b	0	0
c Net plan assets (subtract line 7b from line 7a)	7c	2475797	2857397
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	0	
(2) Participants.....	8a(2)	93592	
(3) Others (including rollovers)	8a(3)	0	
b Other income (loss).....	8b	546145	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b).....	8c		639737
d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d	240133	
e Certain deemed and/or corrective distributions (see instructions) .	8e	5769	
f Administrative service providers (salaries, fees, commissions)	8f	12235	
g Other expenses	8g	0	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		258137
i Net income (loss) (subtract line 8h from line 8c).....	8i		381600
j Transfers to (from) the plan (see instructions)	8j	0	

Part IV Plan Characteristics	
9a	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 2E 2F 2G 2J 2K 2T 3B 3D 3H
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions				
10 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)	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.).....	10b		X	
c Was the plan covered by a fidelity bond?	10c	X		500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.).....	10e		X	
f Has the plan failed to provide any benefit when due under the plan?	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below. Yes No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a**

b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 _____

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? Yes No
 (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline? Yes No N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? Yes No

a If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** 0

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? Yes No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Part VIII IRS Compliance Questions

14a 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

14b 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

15 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 11/14/2022 (MM/DD/YYYY) and the Opinion Letter serial number Q702518A.

CAREY PAUL, INC.

401(K) PLAN

(A DEFINED CONTRIBUTION PLAN)

FINANCIAL STATEMENTS

(WITH INDEPENDENT AUDITOR'S REPORT)

Years Ended

December 31, 2022 and 2021

**CAREY PAUL, INC.
401(K) PLAN**

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 4
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS	5
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS	6
NOTES TO FINANCIAL STATEMENTS	7 - 13
	<u>SCHEDULES</u>
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES - DECEMBER 31, 2022	I

DRAFT

INDEPENDENT AUDITOR'S REPORT

MONTH XX, 2023

To the Plan Administrator of the
CAREY PAUL, INC. 401K RETIREMENT PLAN

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

We have performed audits of the accompanying financial statements of CAREY PAUL, INC. 401(K) PLAN, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) [ERISA Section 103(a)(3)(C) audit]. The financial statements comprise the statement of net assets available for benefits as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of CAREY PAUL, INC. 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 a certification from a qualified institution as of December 31, 2022 and 2021 and for the years then ended, stating that the certified investment information, as described in Note 6 to the financial statements, is complete and accurate.

Opinion

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

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above relates 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. 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 CAREY PAUL, INC. 401(K) PLAN and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CAREY PAUL, INC. 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 generally accepted auditing standards, we:

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

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

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

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

Supplemental Schedule Required by ERISA

The supplemental schedule of Assets Held for Investment Purposes as of December 31, 2022 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 themselves, and other additional procedures in accordance with generally accepted auditing standards. 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 their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion -

- the form and content of the supplemental 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 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).

CAREY PAUL, INC.
401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Investments, at fair value	\$ 2,475,736	\$ 3,357,862
Total investments	<u>2,475,736</u>	<u>3,357,862</u>
Receivables		
Notes receivable from participants	<u>61</u>	<u>634</u>
Total receivables	<u>61</u>	<u>634</u>
Total assets	2,475,797	3,358,496
Liabilities		
Corrective distributions payable	<u>6,591</u>	<u>12,759</u>
Net assets available for benefits	<u><u>\$ 2,469,206</u></u>	<u><u>\$ 3,345,737</u></u>

DRAFT

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

CAREY PAUL, INC.
401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Years ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Additions to net assets attributed to:		
Investment (loss) income		
Net appreciation in fair value of investments	\$ (969,325)	\$ 184,153
Dividends	92,858	252,638
Interest	3,200	1,637
Net investment (loss) income	<u>(873,267)</u>	<u>438,428</u>
Interest income on notes receivable from participants	<u>19</u>	<u>50</u>
Contributions		
Participant contributions	<u>69,897</u>	<u>85,332</u>
Total contributions	69,897	85,332
Other income	<u>13,798</u>	<u>3,202</u>
Total additions	<u>(789,553)</u>	<u>527,012</u>
Deductions from net assets attributed to:		
Benefits paid to participants	66,614	159,467
Administrative expenses	13,773	3,755
Corrective distributions	6,591	12,759
Total deductions	<u>86,978</u>	<u>175,981</u>
Net (decrease) increase	<u>(876,531)</u>	<u>351,031</u>
Net assets available for benefits:		
Beginning of the year	<u>3,345,737</u>	<u>2,994,706</u>
End of the year	<u>\$ 2,469,206</u>	<u>\$ 3,345,737</u>

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

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Carey Paul, Inc. (the Company) 401(K) Plan (the Plan) is provided for general information purposes only. 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 substantially all eligible employees of the Company who have one year of service and are age 21 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may elect to defer a percentage of their pretax or after tax annual compensation, as defined in the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified benefit or defined contribution plans (rollover). Participants direct the investment of their contribution into various investment options offered by the Plan.

The Plan also allows the Company to make discretionary matching contributions. There were no discretionary matching contributions for the years ended December 31, 2022 or 2021.

Participant Accounts

Each participant's account is credited with the participant's deferral contributions, rollovers, the Company's discretionary matching contributions, and a proportionate interest in the investment earnings or losses of the funds which the contributions are invested. Expenses are generally allocated evenly across all eligible accounts. Participants may direct employee contributions to any of the Plan's investment alternatives and may transfer among investment options on a daily basis. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts is based on years of continuous service. A participant is 100% vested after six years of credited service.

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Forfeited Accounts

At December 31, 2022 and 2021, forfeited nonvested accounts totaled \$7,259 and \$7,222, respectively. These accounts will be used to reduce future employer contributions or to pay administrative expenses of the Plan. In 2022 and 2021, plan expenses were reduced by \$48 and \$6,430, respectively, from forfeited nonvested accounts.

Payment of Benefits

On termination of service, death, disability, or retirement, the participant or their beneficiary may elect to receive a lump-sum amount equal to the value of the participant's vested interest in his or her account. Participants may request a withdrawal of a portion of their employee contribution account balance if they can demonstrate financial hardship as defined by the Plan.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note 3 for discussion of fair value measurements.

Purchase and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Notes Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at rates of 5.50% which is commensurate with local prevailing rates as determined quarterly by the plan administrator. Principal and interest are paid ratably through payroll deductions.

Benefit Payments

Benefit payments are recorded when paid.

Plan Expenses

The Plan's administrative expenses are paid by either the Plan or the Company as provided by the plan document, except for certain account activity charges which are paid from the accounts of the participants that incurred the charge. Investment management fees and 12B-1 distribution fees are paid by the Plan in the form of reduction of net investment income earned by Plan participants.

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 3 - FAIR VALUE MEASUREMENTS

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

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

Level 2 Inputs to the valuation methodology include

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

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

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

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

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Mutual funds: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus the liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Fixed account investment fund: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

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

The following tables sets forth by level, within the fair value hierarchy, the Plan's assets at fair value, on a recurring basis, as of December 31, 2022 and 2021:

Fair Value Measurements At December 31, 2022				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 2,201,139	\$ -	\$ -	\$ 2,201,139
Fixed account investment fund	-	274,597	-	274,597
Total assets at fair value	\$ 2,201,139	\$ 274,597	\$ -	\$ 2,475,736

Fair Value Measurements At December 31, 2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 3,085,103	\$ -	\$ -	\$ 3,085,103
Fixed account investment fund	-	272,759	-	272,759
Total assets at fair value	\$ 3,085,103	\$ 272,759	\$ -	\$ 3,357,862

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 4 - RELATED-PARTY TRANSACTIONS

Plan investments are managed by Empower Trust Company, LLC. Empower Trust Company, LLC was the trustee of the Plan from January 1, 2021 to February 12, 2021 as defined by the plan and therefore, these transactions qualify as party-in-interest transactions. Empower Retirement, LLC was appointed as trustee of the Plan beginning on February 12, 2021 to December 31, 2022. Empower receives recordkeeping fees paid by the plan during the plan year. These transactions qualify as party-in-interest transactions.

NOTE 5 - PLAN TERMINATION

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

NOTE 6 - INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

All investment information and transactions in those assets included in the accompanying financial statements and supplemental schedule at December 31, 2022 and 2021 was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the Plan's trustees. From January 1, 2021 to February 12, 2021 the trustee of the plan was Truist Bank, Inc. From February 12, 2021 to December 31, 2022, Empower Retirement, LLC was the trustee of the plan.

NOTE 7 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2022 and 2021 to Form 5500:

	<u>2022</u>	<u>2021</u>
Net assets available for benefits per the financial statements	\$ 2,469,206	\$ 3,345,737
Corrective distribution payable not included on Form 5500	<u>6,591</u>	<u>12,759</u>
Net assets available for benefits per the Form 5500	<u>\$ 2,475,797</u>	<u>\$ 3,358,496</u>

CAREY PAUL, INC.
401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

The following is a reconciliation of corrective distributions per the financial statements for the year ended December 31, 2022, to Form 5500:

	<u>Corrective distributions</u>
Corrective distributions per the financial statements	\$ 6,591
Add: Excess contributions for the year ended December 31, 2021, refunded by the Plan in 2022	12,566
Less: Excess contributions for the year ended December 31, 2022, refunded by the Plan in 2023	<u>(6,591)</u>
Corrective distributions per Form 5500	<u><u>\$ 12,566</u></u>

NOTE 8 - TAX STATUS

The Plan has adopted a nonstandardized pre-approved plan sponsored by Great-West Trust Company, LLC. The Internal Revenue Service has determined and informed Truist Bank, Inc. by a letter dated June 30, 2020, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and has no income subject to unrelated business income tax.

NOTE 9 - RISKS AND UNCERTAINTIES

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

NOTE 10 - SUBSEQUENT EVENTS

The plan has evaluated subsequent events through MONTH XX, 2023, the date the financial statements were available to be issued.

CAREY PAUL, INC.
401(K) PLAN
EIN - EIN #
PLAN NUMBER - PLAN #
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
December 31, 2022

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost Value	Market Value	
American Funds New World Fund Class R-3	Mutual fund	**	\$	126,819
Columbia Large Cap Index Fund Institutional Class	Mutual fund	**		130,362
Allspring Special Mid Cap Value Fund - Class Admin	Mutual fund	**		141,514
Goldman Sachs Core Fixed Income Fund Institutional	Mutual fund	**		11,777
MFS International Diversification Fund Class R3	Mutual fund	**		65,235
MFS New Discovery Fund Class R3	Mutual fund	**		117,521
MFS Total Return Bond Fund Class A	Mutual fund	**		18,901
American Funds American Balanced Fund Class R-3	Mutual fund	**		46,341
MFS Value Fund Class R3	Mutual fund	**		218,200
DFA Intermediate Government Fixed Income Portfolio	Mutual fund	**		10,784
Federated Hermes Kaufmann Fund Class R Shares	Mutual fund	**		77,823
T. Rowe Price Growth Stock Fund R Class	Mutual fund	**		930,740
Deleware Small Cap Value Fund	Mutual fund	**		123,743
American Funds 2010 Target Retirement Fund	Mutual fund	**		1
American Funds 2020 Target Date Fund	Mutual fund	**		1
American Funds 2025 Date Fund Class	Mutual fund	**		1
American Funds 2035 Date Fund	Mutual fund	**		1
American Funds 2055 Target Date	Mutual fund	**		1
American Funds 2060 Date Fund	Mutual fund	**		1
American Funds 2065 Target Date Fund Class R3	Mutual fund	**		72
American Funds 2015 Target Date Fund Class R3	Mutual fund	**		147,734

The accompanying notes are an integral part of this schedule.

CAREY PAUL, INC.
401(K) PLAN
EIN - EIN #
PLAN NUMBER - PLAN #
SCHEDULE H, LINE 4(i) - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
December 31, 2022

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor, or similar party		Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost Value	Market Value
	American Funds 2030 Target Date Fund Class R3	Mutual fund	**	8,627
	American Funds 2040 Target Date Fund Class R3	Mutual fund	**	22,337
	American Funds 2045 Target Date Fund Class R3	Mutual fund	**	1,090
	American Funds 2050 Target Date Fund Class R3	Mutual fund	**	372
	Fidelity International Index	Mutual fund	**	78
	Vanguard Small- Cap Index Fund Admiral Shares	Mutual fund	**	866
	Vanguard Mid- Cap Index Fund Admiral Shares	Mutual fund	**	197
				<u>2,201,139</u>
	GWI Fixed Account - Series Class II	Fixed annuity contract		<u>274,597</u>
*	Notes receivable from participants	Various maturities with interest rates of 5.50%	-0-	<u>61</u>
				<u><u>\$ 2,475,797</u></u>
*	Represents party-in-interest			
**	Cost omitted for participant directed investments			

The accompanying notes are an integral part of this schedule.