

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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.

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan, check here... D Check box if filing under: [X] Form 5558 [] automatic extension... 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: ABARCA HEALTH SAVINGS & RETIREMENT PLAN & RETIREMENT PLAN
1b Three-digit plan number (PN): 001
1c Effective date of plan: 07/01/2013
2a Plan sponsor's name (employer, if for a single-employer plan): ABARCA HEALTH LLC
2b Employer Identification Number (EIN): 66-0742627
2c Plan Sponsor's telephone number: 787-523-1249
2d Business code (see instructions): 621399

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

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

Form 5500 (2024) v. 240311

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	
5 Total number of participants at the beginning of the plan year	5	549
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	522
	6a(2)	540
	6b	1
	6c	53
	6d	594
	6e	0
	6f	594
	6g(1)	360
	6g(2)	473
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:
3C 2E 2F 2G 2T

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)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

- (1) **H** (Financial Information)
- (2) **I** (Financial Information – Small Plan)
- (3) **A** (Insurance Information) – Number Attached _____
- (4) **C** (Service Provider Information)
- (5) **D** (DFE/Participating Plan Information)
- (6) **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 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 H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan ABARCA HEALTH SAVINGS & RETIREMENT PLAN & RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ABARCA HEALTH LLC	D Employer Identification Number (EIN) 66-0742627

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

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	21933	61726
(2) Participant contributions	1b(2)	66371	73302
(3) Other	1b(3)	278	5465
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(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)	9621436	13308837
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(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	9710018	13449330
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	9710018	13449330

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	604440	
(B) Participants.....	2a(1)(B)	1660124	
(C) Others (including rollovers).....	2a(1)(C)	236241	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2500805
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)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(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)	270759	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	1271650	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		4043214

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	303902	
(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)		303902
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		303902

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		3739312
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **DE ANGEL & COMPANIA CPA, LLC.**

(2) EIN: **66-0434187**

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.)		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.)		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.)		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.)		X	
e Was this plan covered by a fidelity bond?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		

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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>ABARCA HEALTH SAVINGS & RETIREMENT PLAN & RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ABARCA HEALTH LLC</u>	D Employer Identification Number (EIN) <u>66-0742627</u>	

Part I	Distributions
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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	
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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): 66-0561870

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	96
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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.)
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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
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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.
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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: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> 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. <input type="checkbox"/> 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 ___/___/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Audited Financial Statements
and Supplementary Information

As of December 31, 2024 and 2023 and
for the Year Ended December 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of
Abarca Health Savings and Retirement Plan
San Juan, Puerto Rico

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

We have performed an audit of the accompanying financial statements of **Abarca Health Savings and Retirement 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, 2024, and the related statement of changes in net assets available for benefits for the year ended December 31, 2024, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of **Abarca Health Savings and Retirement 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 audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of December 31, 2024, and for the year ended December 31, 2024, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2024 Financial Statements

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

- The amounts and disclosures in the 2024 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 2024 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 on the 2024 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of **Abarca Health Savings and Retirement Plan**, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 2024 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 **Abarca Health Savings and Retirement 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.

Auditors' Responsibilities for the Audit for the 2024 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 **Abarca Health Savings and Retirement 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 **Abarca Health Savings and Retirement Plan's** ability to continue as a going concern for a reasonable period of time.

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

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

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

Supplemental Schedules Required by ERISA

The supplemental schedule of *Schedule of Assets (Held at End of Year)* as of and for the year ended December 31, 2024, 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 generally accepted auditing standards. For information included in the supplemental schedule that agreed to or are derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental 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 are agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental 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).

Auditor's Report on the 2023 Financial Statements

The financial statements of **Abarca Health Savings and Retirement Plan** as of December 31, 2023, were audited by predecessor auditors. 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, the prior year audit did not extend to any statements or information related to assets held for investment of the plan that were certified by a qualified institution. Their report dated February 4, 2025 indicated that in their opinion (a) the amounts and disclosures in the 2023 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2023 financial statements 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). Their report also indicated that the form and content of the 2023 supplemental schedules, other than the information in the 2023 supplemental schedules that agrees to or is derived from the certified investment information, were presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, and the information in the 2023 supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



License No. LLC-317
Expires December 1, 2026

San Juan, Puerto Rico
October 14, 2025
2025-10-126



DLLC317-343
ABARCA HEALTH SAVINGS AND
RETIREMENT PLAN



ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Statements of Net Assets Available for Benefits

ASSETS

	December 31,	
	2024	2023
Assets:		
Investments at Fair Value	\$ 13,308,837	\$ 9,621,436
Receivables:		
Participants' Contribution	73,302	66,371
Employer's Contribution	61,726	21,933
Accrued Interest and Dividends	5,465	278
Total Receivables	140,493	88,582
Net Assets Available for Benefits	\$ 13,449,330	\$ 9,710,018

The accompanying Notes are an integral part of these Financial Statements.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 2024

ADDITIONS TO NET ASSETS

Investment Income:

Net Appreciation (Loss) in Fair Value of Investments	\$ 1,271,650
Interest and Dividend Income	270,759
	<u>1,542,409</u>

Contributions:

Participants	1,660,124
Employer	604,440
Rollover	236,241
	<u>2,500,805</u>

Total Additions	<u>4,043,214</u>
-----------------	------------------

DEDUCTIONS TO NET ASSETS

Benefits Paid to Participants	<u>303,902</u>
-------------------------------	----------------

Total Deductions	<u>303,902</u>
------------------	----------------

Net Increase	3,739,312
--------------	-----------

Net Assets Available for Benefits at Beginning of Year	<u>9,710,018</u>
--	------------------

Net Assets Available for Benefits at End of Year	<u><u>\$ 13,449,330</u></u>
--	-----------------------------

The accompanying Notes are an integral part of these Financial Statements.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

1. DESCRIPTION OF PLAN

The following brief description of the **Abarca Health Savings and Retirement Plan** (the Plan) is provided for general information purposes only. Participants should refer to the Summary of the Plan Description for a more complete explanation of its provisions.

General

The Plan is a defined contribution plan covering employees 21 years old or older with no service requirement at Abarca Health, LLC (“the Sponsor”) and its affiliate, Abarca Technologies, LLC. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan became effective on July 1, 2013.

As of December 31, 2024, and 2023, there were 353 and 360 participants, respectively, with account balances in the plan.

Plan Administration

The Plan is administered by the Savings and Retirement Plan Administrative Committee, which is appointed by the Sponsor. The Plan’s trustee, Banco Popular de Puerto Rico (BPPR) (“the Trustee”), is responsible for the custody and management of the Plan’s assets.

Contributions

For each Plan year starting January 1, 2013, and thereafter, participants’ pre-tax contributions may not exceed \$15,000. The Plan allows participants who will attain age 50 at any time during the Plan year to contribute additional pre-tax contributions up to \$1,500, to be entitled to “catch up contributions”. After-tax contributions are allowed but may not exceed 10% of the aggregate compensation paid to the participant during the year in the Plan and are subject to certain limitations. Participants direct the investment of their contributions into various investment options offered by the Plan.

The sponsor matches 50% of the first 6% of the participants’ pre-tax contribution to the plan.

Rollover Contributions

Participants may roll over their funds previously held for their account in another employee benefit plan on a tax-free basis.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

1. DESCRIPTION OF PLAN, (Continued)

Participants Accounts

Each participant's account is credited with the participant's contributions and an allocation of the Sponsor's matching contributions, as well as allocations of the Plan earnings. Participant accounts are charged with an allocation of those administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. Participant's vesting in the employer's contribution portion of their accounts, plus actual earnings thereon, is based on years of continuous service.

Employer contributions with effective dates on or before December 31, 2016, are fully vested as of December 31, 2024.

Employer contributions with effective dates between January 1, 2017 and May 31, 2023, vest in accordance with the following schedule:

<u>Completed Years of Service</u>	<u>Vested Percentage</u>
Less than 1	0%
At least 1	25%
At least 2	50%
At least 3	75%
At least 4	100%

Employer contributions with effective dates on or after June 1, 2023, vest in accordance with the following schedule:

<u>Completed Years of Service</u>	<u>Vested Percentage</u>
At least 1	0%
At least 2	50%
At least 3	75%
At least 4	100%

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

1. DESCRIPTION OF PLAN, (Continued)

Payment of Benefits

On termination of service due to death, disability or retirement, a participant (or participant's beneficiary in the event of death) will receive a lump-sum distribution equal to the value of the participant's vested interest in his or her account. In addition, financial hardship distributions are permitted if certain criteria are met.

As of December 31, 2024, there were \$43,010 pending distributions requested by participants.

Forfeited Accounts

On December 31, 2024 and 2023, forfeited non-vested accounts amounted to \$25,950 and \$4,303, respectively. During the year ended December 31, 2024, forfeitures from non-vested participants amounted to \$20,844. Unrealized gains from forfeitures amounted to \$803 during the year ended December 31, 2024.

Forfeitures under the Plan can be used under any of the following options as determined on an annual basis by the Sponsor: (a) allocated to participant accounts during the Plan year, (b) used to reduce the amount that the Sponsor must contribute to the Plan or (c) used to reduce related Plan costs and expenses. No deductions were made from the forfeiture account during 2024.

Notes Receivable from Participants

Loans to participants from the Plan are currently not permitted.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in conformity with general accepted accounting principles in the United States of America (US GAAP) in accordance with the American Institute of Certified Public Accountants. The Plan's fiscal year ends on December 31st of each year. All references for year in these notes to the financial statements represent the calendar year then ended, unless otherwise noted.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (Continued)

Investments 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. The Plan's investment committee determines the Plan's valuation policies utilizing information provided by the investment advisers and custodians. Please refer to Note 3 for further discussion of fair value measurements.

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

Excess Contributions Payable

When applicable, amounts payable to participants for contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction to contributions.

Benefit Payments

Benefits payments to participants are recorded upon distribution.

Administrative Expenses

Certain expenses for maintaining the Plan are paid by the Plan, unless otherwise paid by the Sponsor. Expenses that are paid by the Sponsor are excluded from these financial statements. Investment related expenses are included in net appreciation or depreciation in fair value of investments.

3. FAIR VAUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to measurements involving significant unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- **Level 1** - inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access;
- **Level 2** - inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

3. FAIR VAUE MEASUREMENTS, (Continued)

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

- **Mutual funds** - valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.
- **Interest bearing deposits** - the carrying amount of interest-bearing deposits are reasonable estimates of the fair value due to the demand nature of the instruments.

The following table sets forth by level, within the fair value hierarchy, the Plan assets at fair value as of 2024 and 2023:

Assets at Fair Value as of December 31, 2024				
		Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs	Significant Observable Inputs
Fair Value	Level 1	Level 2	Level 3	Level 3
Mutual Funds	\$ 13,243,304	\$ 13,243,304	\$ -	\$ -
Interest Bearing Deposits	65,533	65,533	-	-
Investment at Fair Value	<u>\$ 13,308,837</u>	<u>\$ 13,308,837</u>	<u>\$ -</u>	<u>\$ -</u>

Assets at Fair Value as of December 31, 2023				
		Quoted Prices in Active Markets for Identical Assets	Significant Observable Inputs	Significant Observable Inputs
Fair Value	Level 1	Level 2	Level 3	Level 3
Mutual Funds	\$ 9,560,326	\$ 9,560,326	\$ -	\$ -
Interest Bearing Deposits	61,110	61,110	-	-
Investment at Fair Value	<u>\$ 9,621,436</u>	<u>\$ 9,621,436</u>	<u>\$ -</u>	<u>\$ -</u>

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, BPPR (a party in interest), the Trustee of the Plan, has certified to the completeness and accuracy of all investments and investment activity reflected on the accompanying financial statements, notes thereto and supplemental schedules. BPPR maintains all records, executes investment transactions and holds all of the assets of the Plan.

The following table presents investments, accrued interest and dividends at December 31, 2024 and 2023, held and certified by the Trustee:

	As of December 31,	
	2024	2023
Investments	\$ 13,308,837	\$ 9,621,436
Accrued Interest and Dividends	5,465	278
	<u>\$ 13,314,302</u>	<u>\$ 9,621,714</u>

The following table presents investments income/(loss) for the year ended December 31, 2024, certified by the Trustee:

	Year Ended December 31, 2024
Net Appreciation in Fair Value of Investments	\$ 1,271,650
Interest and Dividend Income	270,759
	<u>\$ 1,542,409</u>

5. QUALIFIED NON-ELECTIVE CONTRIBUTION (QNEC)

During 2024, the Plan Administrator identified an operational failure in the administration of the Plan related to the improper exclusion of certain part-time and transitory employees from eligibility and participation. Specifically, for plan years 2019 through 2024, these employees were not enrolled in the Plan, and neither employee elective deferrals nor employer matching contributions were made on their behalf. This failure arose from a misinterpretation of the Plan's eligibility provisions, as the plan document did not explicitly exclude part-time, temporary, or seasonal employees.

In response, the Plan Sponsor took corrective action beginning in the fourth quarter of 2024 by prospectively including these employee categories in the Plan. Additionally, the Plan document is in the process of being amended to formally clarify eligibility requirements, with the amendment expected to be finalized during the fourth quarter of 2025.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

5. QUALIFIED NONELECTIVE CONTRIBUTION (QNEC), (Continued)

Legal counsel provided an informal opinion, dated January 16, 2025, concluding that the failure constituted a missed deferral opportunity (MDO), which cannot be remedied through retroactive plan amendment. In accordance with the applicable guidance under the U.S. Internal Revenue Service's Employee Plans Compliance Resolution System (EPCRS), the appropriate correction involved the payment of a Qualified Nonelective Contribution (QNEC) for affected current and former participants, including an additional amount for lost earnings.

On January 31, 2025, the Plan Sponsor made a total corrective QNEC of \$32,930, which included \$5,425 for lost earnings. This amount is included in the Employer Contributions in the accompanying Statement of Changes in Net Assets Available for Benefits. This contribution was intended to fully address the operational failure for the affected plan years and bring the Plan into compliance. While the Puerto Rico Treasury Department (PRTD) does not maintain a formal correction program, it informally accepts corrections consistent with EPCRS guidance. The corrective action is also deemed to cure any related fiduciary breaches under applicable law.

6. RISK 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 accompanying statements of net assets available for benefits.

7. TAX STATUS

The Plan obtained its latest determination letter in May 7, 2018, in which the PRTD stated that, effective August 1, 2016, the Plan is designed in accordance with applicable sections of the Puerto Rico Internal Revenue Code of 2011 (the Code), as amended, and therefore the Plan is exempt from Puerto Rico income taxes. Effective March 1, 2020 and after the ruling of the determination letter above, the Plan was amended to change the employer's discretionary contributions. However, as described in the Code, the above amendment is not required to be presented to the PRTD for purpose of compliance and will not affect the original ruling on behalf of the Plan. The Plan Administrator and the Plan's Tax Counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code and therefore believe that the Plan is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the PRTD. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Notes to Financial Statements

December 31, 2024 and 2023

8. RELATED-PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Plan investments are managed by BPPR, the trustee, as defined by the Plan, as well as the recordkeeper and, therefore, these transactions qualify as party-in-interest transactions. BPPR receives an administrative fee from these investments for providing certain administrative or shareholder services.

9. PLAN TERMINATION

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

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events occurring subsequent to December 31, 2024, through October 14, 2025, the date the financial statements were available to be issued, to determine if any such events should either be recognized or disclosed in the financial statements. Management has determined that there are no material events or transactions that would affect the financial statements through such date.

SUPPLEMENTARY INFORMATION

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Schedule of Assets (Held at End of Year)

For the Year Ended December 31, 2024

(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	Current Value
*	Federated Government	138,024.699 shares in Federated Trust for US Treasury Obligations Ticker: Ttoxx	**	\$ 138,025
	BPPR	76,990 in Interest Bearing Deposit Open Account	**	76,990
	Columbia Smallcap	5,899.420 shares in Columbia Smallcap Index-A Fund Ticker: Nmsax	**	133,740
	American Funds	3,303.418 shares in American Funds Europacific Gr R4 Ticker: Rerex	**	172,802
	JPMorgan	4,711.740 shares in Jpmorgan Tr II Lrg CP Grwt R4 Ticker: Jlgqx	**	374,678
	Vanguard	3,902.123 shares in Vanguard Healthn Care-Adm Ticker: Vghax	**	300,034
	Vanguard	769.847 shares in Vanguard Target Retirement Incme Inv Ticker: Vtinx	**	10,085
	Vanguard	492.447 shares Vanguard Target Retirement 2025 Inv Ticker: Vttvx	**	9,204
	Vanguard	23,090.908 shares in Vanguard Target Retirement 2035 Inv Ticker: Vtthx	**	553,720
	Vanguard	84,551.803 shares in Vanguard Target Retirement 2045 Inv Ticker: Vtiyx	**	2,508,652
	Vanguard	5,415.423 shares in Vanguard Target Retirement 2020 Inv Ticker: Vtwvx	**	143,400
	Vanguard	18,981.244 shares in Vanguard Target Retirement 2060 Ticker: Vttsx	**	972,789
	Vanguard	51,232.116 shares in Vanguard Target Retirement 2055 Inv Ticker: Vffyx	**	2,849,018
	Vanguard	50,465.940 shares in Vanguard Target Retirement 2050 Inv Ticker: Vfifx	**	2,515,222
	Vanguard	20,651.803 shares in Vanguard Target Retirement 2040 Inv Ticker: Vforx	**	892,571
	Vanguard	2,064.452 shares in Vanguard Target Retirement 2030 Inv Ticker: Vthrx	**	78,201
	Vanguard	2,585.723 shares in Vanguard 500 Index Fund Ticker: Vfiyx	**	1,403,427
	Washington Mutual	2,241.433 shares in Washington Mutual Investors Fd Inc CI R-4 Shares	**	136,907
	Blackrock	3,461.613 shares in Blackrock Total Return Fund Ticker: Mshqx	**	33,681
	Dodge	459.666 shares in Dodge & Cox Income Ticker: Dodix	**	5,691
				<u>\$ 13,308,837</u>

* Party in interest with respect to the Plan.

** Cost is not required to be presented for participant directed investments.

See Independent Auditors' Report.



De Angel & Compañía
COMPAÑÍA DE RESPONSABILIDAD LIMITADA
CONTADORES PÚBLICOS AUTORIZADOS

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October 14, 2025

To the Administrative Committee
Abarca Health Savings and Retirement Plan
San Juan, Puerto Rico

The stockholders and staff of De Angel & Compañía, CPA, LLC, are pleased to announce the successful completion of an independent peer review of our accounting and auditing practice. This review was undertaken as a condition of membership in the American Institute of Certified Public Accountants (AICPA), the national organization of CPAs in public practice, industry, government, and education.

In 1988, the members of the AICPA overwhelmingly approved a proposal to require members in public practice to participate in a practice-monitoring program. With the adoption of this proposal, the AICPA implemented a peer review program of unprecedented scope in the CPA profession or any other. Our participation in peer review demonstrates our firm's desire to measure up to the profession's high standards of professionalism and our commitment to maintaining and improving the quality of our practice.

In August 2000, the Puerto Rico Society of CPAs (PRSCPA) adopted a voluntary peer review program, which follows the lead established by the AICPA.

Our peer review was conducted by **LR CPA, PSC**, an independent firm (the Reviewer). The Reviewer first determined that we have an adequate quality control system, and then checked to see that professional standards were followed in a representative sample of our accounting and auditing engagements.

After a thorough study of our policies and procedures, the Reviewer concluded our firm complies with the stringent quality control standards established by the AICPA and the PRSCPA. Our firm is committed to periodic peer reviews to foster quality performance.

Bankers, bonding agents, investors, suppliers, legal advisors, and others use the financial statements our firm audits, reviews, or compiles. We think those people, our clients, and our staff deserve independent quality assurance that our firm provides quality services. We are proud of our peer review results and would be happy to answer any questions you might have.

Sincerely,

Carlos De Ángel Ramírez
President

Report on the Firm's System of Quality Control

March 20, 2025

To the Member of De Angel & Compañía, CPA LLC, and the Peer Review Committee of the Puerto Rico Society of CPA.

We have reviewed the system of quality control for the accounting and auditing practice of De Angel & Compañía, CPA LLC (the firm) in effect for the year ended April 30, 2024. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with the requirements of applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design and compliance with the firm's system of quality control based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, including compliance audits under the Single Audit Act; and an audit of employee benefit plans.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of De Angel & Compañía, CPA LLC, in effect for the year ended April 30, 2024, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. De Angel & Compañía, CPA LLC, has received a peer review rating of *pass*.

LR CPA, PSC

LR CPA, PSC



DPSC11-4

De Angel & Compañía, CPA LLC

ABARCA HEALTH SAVINGS AND RETIREMENT PLAN

Schedule of Assets (Held at End of Year)

For the Year Ended December 31, 2024

(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	Current Value
*	Federated Government	138,024.699 shares in Federated Trust for US Treasury Obligations Ticker: Ttoxx	**	\$ 138,025
	BPPR	76,990 in Interest Bearing Deposit Open Account	**	76,990
	Columbia Smallcap	5,899.420 shares in Columbia Smallcap Index-A Fund Ticker: Nmsax	**	133,740
	American Funds	3,303.418 shares in American Funds Europacific Gr R4 Ticker: Rerex	**	172,802
	JPMorgan	4,711.740 shares in Jpmorgan Tr II Lrg CP Grwt R4 Ticker: Jlgqx	**	374,678
	Vanguard	3,902.123 shares in Vanguard Healthn Care-Adm Ticker: Vghax	**	300,034
	Vanguard	769.847 shares in Vanguard Target Retirement Incme Inv Ticker: Vtinx	**	10,085
	Vanguard	492.447 shares Vanguard Target Retirement 2025 Inv Ticker: Vttvx	**	9,204
	Vanguard	23,090.908 shares in Vanguard Target Retirement 2035 Inv Ticker: Vtthx	**	553,720
	Vanguard	84,551.803 shares in Vanguard Target Retirement 2045 Inv Ticker: Vtivr	**	2,508,652
	Vanguard	5,415.423 shares in Vanguard Target Retirement 2020 Inv Ticker: Vtwvx	**	143,400
	Vanguard	18,981.244 shares in Vanguard Target Retirement 2060 Ticker: Vttsx	**	972,789
	Vanguard	51,232.116 shares in Vanguard Target Retirement 2055 Inv Ticker: Vffvx	**	2,849,018
	Vanguard	50,465.940 shares in Vanguard Target Retirement 2050 Inv Ticker: Vfifx	**	2,515,222
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