

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 01/01/2021 and ending 12/31/2021

- A This return/report is for: a multiemployer plan, a multiple-employer plan, a single-employer plan, a DFE, etc.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report, etc.
C If the plan is a collectively-bargained plan, check here.
D Check box if filing under: Form 5558, automatic extension, the DFVC program, special extension, etc.
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.

Part II Basic Plan Information—enter all requested information

1a Name of plan: THE CHALLENGER GROUP, INC. 401(K) PLAN
1b Three-digit plan number (PN): 001
1c Effective date of plan: 01/01/2020
2a Plan sponsor's name (employer, if for a single-employer plan): THE CHALLENGER GROUP, INC.
2b Employer Identification Number (EIN): 46-1843213
2c Plan Sponsor's telephone number: 719-649-5266
2d Business code (see instructions): 236110

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 plan administrator, employer/plan sponsor, and DFE.

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

Form 5500 (2024) v. 240311

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN	
	<b>3c</b> Administrator's telephone number	
<b>4</b> 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: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN	
	<b>4d</b> PN	
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	134
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. .... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> ..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a(1)</b>	124
	<b>6a(2)</b>	0
	<b>6b</b>	0
	<b>6c</b>	0
	<b>6d</b>	0
	<b>6e</b>	0
	<b>6f</b>	0
	<b>6g(1)</b>	
<b>6g(2)</b>		0
<b>6h</b>		0
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>	

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
 2E 2F 2G 2J 2K 2R 2T 2D 3H

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

<b>9a</b> Plan funding arrangement (check all that apply)	<b>9b</b> 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)

<b>a Pension Schedules</b>	<b>b General Schedules</b>
(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)
(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)
(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____	(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)
(5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)	(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

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

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**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.

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**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 \_\_\_\_\_

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

ADP, INC.

13-3036745

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 50 15 64 21 49 99 26	RECORD KEEPER	2283	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

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

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

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

**Part I Service Provider Information (continued)**

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

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

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

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

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:







<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning <b>01/01/2021</b> and ending <b>12/31/2021</b>	
<b>A</b> Name of plan <b>THE CHALLENGER GROUP, INC. 401(K) PLAN</b>	<b>B</b> Three-digit plan number (PN) <b>▶</b> <b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>THE CHALLENGER GROUP, INC.</b>	<b>D</b> Employer Identification Number (EIN) <b>46-1843213</b>

<b>Part I</b>	<b>Asset and Liability Statement</b>
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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
<b>Assets</b>		
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	
<b>b</b> Receivables (less allowance for doubtful accounts):		
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>	
<b>(3)</b> Other .....	<b>1b(3)</b>	
<b>c</b> General investments:		
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>	
<b>(3)</b> Corporate debt instruments (other than employer securities):		
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>	
<b>(B)</b> All other .....	<b>1c(3)(B)</b>	
<b>(4)</b> Corporate stocks (other than employer securities):		
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>	
<b>(B)</b> Common .....	<b>1c(4)(B)</b>	
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>	
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>	
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>	
<b>(8)</b> Participant loans .....	<b>1c(8)</b>	31842
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>	3124
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>	
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>	
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>	
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	883404
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>	
<b>(15)</b> Other.....	<b>1c(15)</b>	69556

<b>1d</b> Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	<b>1d(1)</b>		
(2) Employer real property.....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation.....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e).....	<b>1f</b>	987926	0
<b>Liabilities</b>			
<b>g</b> Benefit claims payable.....	<b>1g</b>		
<b>h</b> Operating payables.....	<b>1h</b>		
<b>i</b> Acquisition indebtedness.....	<b>1i</b>		
<b>j</b> Other liabilities.....	<b>1j</b>		
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j).....	<b>1k</b>	0	0
<b>Net Assets</b>			
<b>l</b> Net assets (subtract line 1k from line 1f).....	<b>1l</b>	987926	0

**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.

<b>Income</b>		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: <b>(A)</b> Employers.....	<b>2a(1)(A)</b>	155799	
<b>(B)</b> Participants.....	<b>2a(1)(B)</b>	262559	
<b>(C)</b> Others (including rollovers).....	<b>2a(1)(C)</b>		
(2) Noncash contributions.....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		418358
<b>b Earnings on investments:</b>			
<b>(1) Interest:</b>			
<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....	<b>2b(1)(A)</b>		
<b>(B)</b> U.S. Government securities.....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments.....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants).....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans.....	<b>2b(1)(E)</b>	2101	
<b>(F)</b> Other.....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		2101
<b>(2) Dividends:</b>			
<b>(A)</b> Preferred stock.....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock.....	<b>2b(2)(B)</b>		
<b>(C)</b> Registered investment company shares (e.g. mutual funds).....	<b>2b(2)(C)</b>	36499	
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		36499
<b>(3)</b> Rents.....	<b>2b(3)</b>		
<b>(4) Net gain (loss) on sale of assets:</b>			
<b>(A)</b> Aggregate proceeds.....	<b>2b(4)(A)</b>		
<b>(B)</b> Aggregate carrying amount (see instructions).....	<b>2b(4)(B)</b>		
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result.....	<b>2b(4)(C)</b>		
<b>(5) Unrealized appreciation (depreciation) of assets:</b>			
<b>(A)</b> Real estate.....	<b>2b(5)(A)</b>		
<b>(B)</b> Other.....	<b>2b(5)(B)</b>		
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		118
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		182513
<b>c</b> Other income .....	<b>2c</b>		1459
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....	<b>2d</b>		641048

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>	127352	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other .....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		127352
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions) .....	<b>2g</b>		9413
<b>h</b> Interest expense .....	<b>2h</b>		
<b>i</b> Administrative expenses:			
(1) Salaries and allowances .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Recordkeeping fees .....	<b>2i(3)</b>		
(4) IQPA audit fees .....	<b>2i(4)</b>		
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>		
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>		
(7) Actuarial fees .....	<b>2i(7)</b>		
(8) Legal fees .....	<b>2i(8)</b>		
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses .....	<b>2i(11)</b>	2284	
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		2284
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	<b>2j</b>		139049

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		501999
<b>l</b> Transfers of assets:			
(1) To this plan .....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		1489925

**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: **STOCKMAN KAST RYAN & CO, LLP**

(2) EIN: **84-1509584**

**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
<b>a</b> 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.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	124140
<b>b</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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>c</b> 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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>d</b> 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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>e</b> Was this plan covered by a fidelity bond?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	99000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>g</b> 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>h</b> 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>j</b> 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.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>n</b> 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.	<input type="checkbox"/>	<input type="checkbox"/>	

**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)
CHALLENGER HOMES 401(K) PLAN	82-3756084	001

**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 \_\_\_\_\_.



**THE CHALLENGER GROUP INC. 401(K) PLAN**

**Financial Statements**

**As of December 31, 2021 and 2020**

**And For the Year Ended December 31, 2021**

**Supplemental Schedules**

**As of December 31, 2021,**

**And**

**Independent Auditors' Report**

# THE CHALLENGER GROUP INC. 401(k) PLAN

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## INDEPENDENT AUDITORS' REPORT

The Plan Administrator  
The Challenger Group Inc. 401(k) Plan  
Colorado Springs, Colorado

### Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the Financial Statements

We have performed an audit of the accompanying financial statements of The Challenger Group Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 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 certifications from a qualified institution as of December 31, 2021 and 2020, and the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

### Opinion

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 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the financial statements referred to above related to assets held by and certified to by 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 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 the 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 Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 of the Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the Financial Statements 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 the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 schedules of Delinquent Participant Contributions for the year ended December 31, 2021 and Assets Held At End of Year as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, have 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 schedules 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 schedules, 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 schedules, other than the information in the supplemental schedules that agreed to or are 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 schedules related to assets held by and certified to by a qualified institution agrees to, or are 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).

*Stockman Kast Ryan & Co, LLP*

Colorado Springs, Colorado  
December 11, 2025

## THE CHALLENGER GROUP INC. 401(k) PLAN

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2021 AND 2020

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	2021	2020
<b>ASSETS</b>		
Investments, at fair value	\$ 1,477,230	\$ 956,084
Notes receivable from participants	12,695	31,842
<b>CONTRIBUTIONS RECEIVABLE</b>		
Participants		3,928
Employer		2,863
Total	<u>1,489,925</u>	<u>994,717</u>
<b>LIABILITIES</b>		
Due to Challenger Homes 401k Plan as a result of plan merger	1,430,889	
Excess contributions payable	<u>59,036</u>	
Total	<u>1,489,925</u>	<u>—</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ —</u>	<u>\$ 994,717</u>

See notes to financial statements.

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## THE CHALLENGER GROUP INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2021

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#### ADDITIONS TO PLAN ASSETS

##### Contributions:

Participants	\$ 258,631
Employer	152,936

Total contributions 411,567

#### INVESTMENT INCOME

Net appreciation in fair value of investments	182,631
Interest and dividend income	36,499
Other income	1,459

Net investment income 220,589

Interest income on notes receivable from participants 2,101

TOTAL ADDITIONS 634,257

#### DEDUCTIONS FROM PLAN ASSETS

Benefit payments	136,765
Other	2,284

TOTAL DEDUCTIONS 139,049

Transfer of net assets out of plan due to merger -  
Challenger Homes 401k Plan 1,489,925

NET DECREASE IN NET ASSETS (994,717)

NET ASSETS AVAILABLE FOR BENEFITS, Beginning of year 994,717

NET ASSETS AVAILABLE FOR BENEFITS, End of year \$ —

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See notes to financial statements.

# THE CHALLENGER GROUP INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

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### 1. DESCRIPTION OF THE PLAN

The following brief description of The Challenger Group Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description for more complete information.

**General** — The Plan is a defined contribution plan covering eligible employees of The Challenger Group Inc. , Goodwin Knight LLC, Key Structures LLC and Westover Homes LLC (collectively, the Company). Employees who are not leased employees, are at least 21 years of age, and have completed three months of service are eligible to participate in the Plan. Participants are eligible for safe harbor matching contributions after making elective deferrals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Plan Mergers** — Effective December 31, 2021, this Plan was merged into the Challenger Homes 401(k) Plan. Net assets of \$1,489,925 were transferred into Challenger Homes 401(k) plan during the year ended December 31, 2022.

**Contributions** — A participant may elect to have a percentage of their compensation withheld by the Company and contributed to the Plan on their behalf as an elective contribution in lieu of receiving such amount as compensation. Such contributions may not exceed the limits established in the Internal Revenue Code (IRC). The Company makes safe harbor contributions matching 100% of employee contributions up to the first 6 % of employee contributions. The Company may also make non-elective contributions to the Plan.

**Participants' Accounts** — Each participant shall have one account and such account will be credited with the participant's contributions, an allocation of the Company's contributions, and an allocation of the Plan's earnings and losses. The Plan's earnings or losses, excluding that related to participants' loans, are allocated to the participant's account based upon the proportion that each participant's account bears to the total participants' account balances related to that fund. Earnings resulting from loans to participants are credited to the respective participant's account. Participants direct the investment of their contributions into various investment options offered by the Plan.

**Notes Receivable from Participants** — Participants may borrow from their accounts a minimum of \$500 up to a maximum equal to the lesser of (a) \$50,000 or (b) 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing rates. A participant may have a maximum of two loans outstanding at any one time. Principal and interest is paid ratably through regular payroll deductions.

**Vesting** — Participants are 100% vested in the amounts they contribute, the Company's safe harbor contributions, and the Company's discretionary matching contributions and an allocation of the earnings or losses thereon.

Participants vest in the Company's non-elective contributions, and an allocation of the earnings or losses thereon as follows:

<b>Years of Service</b>	<b>Vested Percentage</b>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

**Payment of Benefits** — Upon separation of service, the Plan will distribute vested account balances not exceeding \$5,000 in a lump-sum as soon as administratively practicable. Upon separation of service, a participant with a vested account balance greater than \$5,000 may elect to receive a lump-sum payment or maintain the vested balance in the Plan. A participant may also elect to receive an account distribution if the participant has attained the age 59 ½ or incurred a hardship in accordance with the Plan provisions.

**Forfeited Accounts** — Forfeitures may be used to reduce employer contributions or to pay plan expenses. As of December 31, 2021 and 2020, there were no forfeited, non-vested account balances. During 2021, there were no forfeited non-vested account balances used to pay plan expenses or reduce employee contributions.

**Administrative Expenses** — Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are deducted from net appreciation of fair value of investments.

**Plan Tax Status** — The Plan is a prototype plan of Automatic Data Processing (ADP). The IRS has determined and informed ADP by a letter dated July 8, 2014, that the prototype plan is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since the date of the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified.

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 IRS. The Plan Administrator has concluded that as of December 31, 2021, the Plan has no material uncertain tax positions.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** — The accounts of the Plan and the accompanying financial statements have been prepared on the accrual basis of accounting.

**Valuation of Investments 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.

The plan administrator determines the Plan's valuation policies utilizing information provided by the asset trustee. See Note 3 for information on 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 or depreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Use of Estimates** — Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Notes Receivable from Participants** — Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2021. If a participant ceases to make loan payments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Benefit Payments** — Benefits are recorded when paid.

**Subsequent Events** — The Company has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

### 3. INVESTMENTS

Generally accepted accounting principles require the Plan to use a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access.

Level 2: Prices determined using significant other observable inputs. Inputs to the valuation methodology include:

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

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

Level 3: Prices determined using significant unobservable inputs.

The investment'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, 2021.

*Mutual Funds and Common Stocks:* Valued at the price of shares held by the Plan at year-end. The share prices are quoted in active markets.

*Collective Investment Trust:* Valued at the net asset value of shares held by the Plan at year-end. The net asset value is used as a practical expedient to measure fair value. This practical expedient would not be used if it is determined to be probable that the investment will be sold for an amount different from the reported net asset value. There are no significant restrictions on the accounts. Investments for which fair value is measured using the net asset value per share practical expedient are not categorized within the fair value hierarchy.

The preceding methods 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 different fair value measurements at the reporting date.

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

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
<b>2021:</b>				
Mutual funds	\$ 1,445,093	\$ —	\$ —	\$ 1,445,093
Investments measured at net asset value				<u>32,137</u>
Total investments				<u>\$ 1,477,230</u>
<b>2020:</b>				
Mutual funds	\$ 883,405			\$ 883,405
Common stocks	58,728			58,728
Money market funds	<u>10,828</u>			<u>10,828</u>
Total investments in the fair value hierarchy	<u>\$ 952,961</u>	<u>\$ —</u>	<u>\$ —</u>	952,961
Investments measured at net asset value				<u>3,123</u>
Total investments				<u>\$ 956,084</u>

#### 4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The following is a summary of the information obtained by management and agreed to or derived from information certified as complete and accurate by Reliance Trust Company, the trustee of the Plan.

- Investments
- Notes receivable from participants
- Investment income
  - Interest and dividend income
  - Net appreciation in fair value of investments
- Interest income on notes receivable from participants
- Supplemental schedule of assets held at end of year

Directed brokerage accounts that are not held and certified by Reliance Trust Company and, accordingly, audited consist of investments totaling \$0 and \$69,556 as of December 31, 2021 and 2020, respectively, and interest and dividend income of \$211 and net appreciation in fair value of investments of \$1,248 for the year ended December 31, 2021.

#### 5. RECONCILIATION OF FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of changes in net assets available for benefits per the financial statements for the year ended December 31, 2021 to the Form 5500:

Net change in net assets available for benefits per the Form 5500	\$ (987,926)
Participant contributions receivable at December 31, 2020	(3,928)
Employer contributions receivable at December 31, 2020	<u>(2,863)</u>
Net change in net assets available for benefits per the financial statements	<u>\$ (994,717)</u>

The Plan's Form 5500 for the year ended December 31, 2021 reflects all assets being transferred to the Challenger Homes 401(k) Plan. The financial statements reflect the assets and a liability to the Challenger Homes 401(k) Plan because the asset transfer was completed after December 31, 2021. Ending net assets on both the Form 5500 and the financial statements is zero.

#### 6. RISKS AND UNCERTAINTIES

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

**7. EXCESS CONTRIBUTIONS PAYABLE**

Participant contributions to the Plan are subject to limitations under the Internal Revenue Code. Section 402(g) of the IRC limits the amount of elective deferrals that participants may contribute to the Plan during a calendar year.

For the year ended December 31, 2021, contributions of \$59,036 were identified as exceeding the 402(g) limit. As of December 31, 2021, these excess contributions, plus applicable earnings, had not yet been refunded to participants.

On December 31, 2021 this Plan was merged into Challenger Homes 401(k). Accordingly, the obligation to correct and refund the excess contributions was transferred to the Challenger Homes 401(k) Plan subsequent to year-end.

**8. NON-EXEMPT PROHIBITED TRANSACTIONS – DELINQUENT PARTICIPANT CONTRIBUTIONS**

Defined contribution plans are required to remit employee contributions to the Plan as soon as they can be reasonably segregated from the employer's general assets. During 2021, contributions totaling \$124,140 were not timely remitted. The contributions were fully remitted in 2021. However, the lost earnings have not yet been remitted.

**THE CHALLENGER GROUP INC. 401(k) PLAN**

**SUPPLEMENTAL SCHEDULE**

**THE CHALLENGER GROUP INC. 401(k) PLAN**  
**EIN 46-1843213**  
**PN 001**

**SCHEDULE H, LINE 4a — SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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Participant Contributions Transferred Late to Plan <hr/> Check Here if Late Participant Loan Repayments Are Included: <input checked="" type="checkbox"/>	<hr/> Total That Constitutes Non — Exempt Prohibited Transactions <hr/>			Total Fully Corrected Under VFCP and PTE 2002 – 51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 124,140	\$ 124,140	\$ —	\$ —	\$ —

**THE CHALLENGER GROUP INC. 401(k) PLAN**  
**EIN 46-1843213**  
**PN 001**

**SCHEDULE H, LINE 4i — SCHEDULE OF ASSETS HELD AT END OF YEAR**  
**DECEMBER 31, 2021**

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Current Value
Mutual funds:		
State Street Global Advisors	State Street Equity 500 Index Fund Class K	\$ 578,463
Fidelity Investments	Fidelity Freedom Index 2040 Premier	152,298
Fidelity Investments	Fidelity Freedom Index 2035 Premier	145,578
Fidelity Investments	Fidelity Freedom Index 2055 Premier	116,937
Vanguard	Vanguard Mid Cap Index Admiral	112,392
Vanguard	Vanguard Small Cap Value Index Admiral	65,594
Principal Funds	Principal Real Estate Securities Fund Class R6	46,050
American Funds	American Funds Growth Fund of Amer A	32,316
Fidelity Investments	Fidelity Freedom Index 2045 Premier	31,849
Fidelity Investments	Fidelity Freedom Index 2030 Premier	30,327
Fidelity Investments	Fidelity Freedom Index 2050 Fund-Premier Class	29,861
Fidelity Investments	Fidelity Freedom Index 2015 Fund-Premier Class	18,213
BlackRock	iShares MSCI EAFE International Index Fund	10,393
Fidelity Investments	Fidelity Freedom Index 2020 Premier	9,778
Fidelity Investments	Fidelity Freedom Index 2060 Premier	9,604
JPMorgan	JPMorgan Equity Income R6	9,034
Fidelity Investments	Fidelity Freedom Index 2025 Premier	7,962
Vanguard	Vanguard Intermediate-Term Bond Index Fund	7,382
Fidelity Investments	Fidelity Freedom Index 2065 Premier	6,429
Janus Henderson	Janus Henderson Triton Fund	5,139
American Century Investments	American Century Emerging Markets R6	5,107
BlackRock	BlackRock Total Return K	4,745
Dimensional Fund Advisors	DFA Commodity Strategy Institutional	3,491
Goldman Sachs	Goldman Sachs Infl Protected Secs R6	3,382
Fidelity Investments	Fidelity Freedom Index Income Fund-Premier Class	1,883
Lord Abbett	Lord Abbett High Yield Fund R6	838
T. Rowe Price	T. Rowe Price Dividend Growth Fund	48
Collective trust:		
Invesco	Invesco Stable Asset - ADPZ	32,137
Notes receivable		
from participants	Participant loans, interest ranges from 5.25% - 6.75%, maturity dates through October 2025	<u>12,695</u>
Total		<u>\$ 1,489,925</u>

Form 5500

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security  
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ Complete all entries in accordance with the instructions to the Form 5500.

OMB Nos. 1210-0110  
1210-0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

- A This return/report is for: [ ] a multiemployer plan [ ] a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) [X] a single-employer plan [ ] a DFE (specify)
B This return/report is: [ ] the first return/report [X] the final return/report [ ] an amended return/report [ ] a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.
D Check box if filing under: [X] Form 5558 [ ] automatic extension [X] the DFVC program [ ] special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.

Part II Basic Plan Information—enter all requested information

1a Name of plan THE CHALLENGER GHROUP, INC. 401(K) PLAN
1b Three-digit plan number (PN) 001
1c Effective date of plan 01/01/2020
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) THE CHALLENGER GHROUP, INC. 8605 EXPLORER DRIVE SUITE 250 COLORADO SPRINGS CO 80920
2b Employer Identification Number (EIN) 46-1843213
2c Plan Sponsor's telephone number 719-649-5266
2d Business code (see instructions) 236110

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, Date, and Name. Contains handwritten signatures and dates (Dec 12, 2025) for plan administrator, employer/plan sponsor, and DFE.

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

Form 5500 (2024) v. 240311

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN  <b>3c</b> Administrator's telephone number  <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>																																	
<b>4</b> 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: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN  <b>4d</b> PN																																	
<b>5</b> Total number of participants at the beginning of the plan year	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%; text-align: center;"><b>5</b></td> <td style="text-align: right;">134</td> </tr> </table>	<b>5</b>	134																															
<b>5</b>	134																																	
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits ..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> . ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits ..... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . ..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;"></td> <td style="width:10%;"></td> <td style="width:80%;"></td> </tr> <tr> <td style="text-align: center;"><b>6a(1)</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">124</td> </tr> <tr> <td style="text-align: center;"><b>6a(2)</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6b</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6c</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6d</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6e</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6f</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6g(1)</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6g(2)</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> <tr> <td style="text-align: center;"><b>6h</b></td> <td style="text-align: center;"></td> <td style="text-align: right;">0</td> </tr> </table>				<b>6a(1)</b>		124	<b>6a(2)</b>		0	<b>6b</b>		0	<b>6c</b>		0	<b>6d</b>		0	<b>6e</b>		0	<b>6f</b>		0	<b>6g(1)</b>		0	<b>6g(2)</b>		0	<b>6h</b>		0
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<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%; text-align: center;"><b>7</b></td> <td style="width:90%;"></td> </tr> </table>	<b>7</b>																																
<b>7</b>																																		

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
 2E 2F 2G 2J 2K 2R 2T 2D 3H

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

<b>9a</b> Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	<b>9b</b> Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<b>a Pension Schedules</b> (1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____ (5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)	<b>b General Schedules</b> (1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan) (3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached _____ (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)
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**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

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**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 \_\_\_\_\_

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**THE CHALLENGER GROUP INC. 401(K) PLAN**

**Financial Statements**

**As of December 31, 2021 and 2020**

**And For the Year Ended December 31, 2021**

**Supplemental Schedules**

**As of December 31, 2021,**

**And**

**Independent Auditors' Report**

# THE CHALLENGER GROUP INC. 401(k) PLAN

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## INDEPENDENT AUDITORS' REPORT

The Plan Administrator  
The Challenger Group Inc. 401(k) Plan  
Colorado Springs, Colorado

### Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the Financial Statements

We have performed an audit of the accompanying financial statements of The Challenger Group Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 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 certifications from a qualified institution as of December 31, 2021 and 2020, and the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

### Opinion

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 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the financial statements referred to above related to assets held by and certified to by 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 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 the 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 Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 of the Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the Financial Statements 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 the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 schedules of Delinquent Participant Contributions for the year ended December 31, 2021 and Assets Held At End of Year as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, have 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 schedules 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 schedules, 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 schedules, other than the information in the supplemental schedules that agreed to or are 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 schedules related to assets held by and certified to by a qualified institution agrees to, or are 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).

*Stockman Kast Ryan & Co, LLP*

Colorado Springs, Colorado  
December 11, 2025

## THE CHALLENGER GROUP INC. 401(k) PLAN

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2021 AND 2020

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	2021	2020
<b>ASSETS</b>		
Investments, at fair value	\$ 1,477,230	\$ 956,084
Notes receivable from participants	12,695	31,842
<b>CONTRIBUTIONS RECEIVABLE</b>		
Participants		3,928
Employer		2,863
Total	<u>1,489,925</u>	<u>994,717</u>
<b>LIABILITIES</b>		
Due to Challenger Homes 401k Plan as a result of plan merger	1,430,889	
Excess contributions payable	<u>59,036</u>	
Total	<u>1,489,925</u>	<u>—</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ —</u>	<u>\$ 994,717</u>

See notes to financial statements.

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## THE CHALLENGER GROUP INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2021

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#### ADDITIONS TO PLAN ASSETS

##### Contributions:

Participants	\$ 258,631
Employer	152,936

Total contributions	<u>411,567</u>
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#### INVESTMENT INCOME

Net appreciation in fair value of investments	182,631
Interest and dividend income	36,499
Other income	1,459

Net investment income	<u>220,589</u>
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Interest income on notes receivable from participants	<u>2,101</u>
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TOTAL ADDITIONS	<u>634,257</u>
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#### DEDUCTIONS FROM PLAN ASSETS

Benefit payments	136,765
Other	2,284

TOTAL DEDUCTIONS	<u>139,049</u>
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Transfer of net assets out of plan due to merger - Challenger Homes 401k Plan	<u>1,489,925</u>
--	------------------

NET DECREASE IN NET ASSETS	(994,717)
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NET ASSETS AVAILABLE FOR BENEFITS, Beginning of year	<u>994,717</u>
--	----------------

NET ASSETS AVAILABLE FOR BENEFITS, End of year	<u><u>\$ —</u></u>
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See notes to financial statements.

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# THE CHALLENGER GROUP INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

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### 1. DESCRIPTION OF THE PLAN

The following brief description of The Challenger Group Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description for more complete information.

**General** — The Plan is a defined contribution plan covering eligible employees of The Challenger Group Inc. , Goodwin Knight LLC, Key Structures LLC and Westover Homes LLC (collectively, the Company). Employees who are not leased employees, are at least 21 years of age, and have completed three months of service are eligible to participate in the Plan. Participants are eligible for safe harbor matching contributions after making elective deferrals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Plan Mergers** — Effective December 31, 2021, this Plan was merged into the Challenger Homes 401(k) Plan. Net assets of \$1,489,925 were transferred into Challenger Homes 401(k) plan during the year ended December 31, 2022.

**Contributions** — A participant may elect to have a percentage of their compensation withheld by the Company and contributed to the Plan on their behalf as an elective contribution in lieu of receiving such amount as compensation. Such contributions may not exceed the limits established in the Internal Revenue Code (IRC). The Company makes safe harbor contributions matching 100% of employee contributions up to the first 6 % of employee contributions. The Company may also make non-elective contributions to the Plan.

**Participants' Accounts** — Each participant shall have one account and such account will be credited with the participant's contributions, an allocation of the Company's contributions, and an allocation of the Plan's earnings and losses. The Plan's earnings or losses, excluding that related to participants' loans, are allocated to the participant's account based upon the proportion that each participant's account bears to the total participants' account balances related to that fund. Earnings resulting from loans to participants are credited to the respective participant's account. Participants direct the investment of their contributions into various investment options offered by the Plan.

**Notes Receivable from Participants** — Participants may borrow from their accounts a minimum of \$500 up to a maximum equal to the lesser of (a) \$50,000 or (b) 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing rates. A participant may have a maximum of two loans outstanding at any one time. Principal and interest is paid ratably through regular payroll deductions.

**Vesting** — Participants are 100% vested in the amounts they contribute, the Company's safe harbor contributions, and the Company's discretionary matching contributions and an allocation of the earnings or losses thereon.

Participants vest in the Company's non-elective contributions, and an allocation of the earnings or losses thereon as follows:

<b>Years of Service</b>	<b>Vested Percentage</b>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

**Payment of Benefits** — Upon separation of service, the Plan will distribute vested account balances not exceeding \$5,000 in a lump-sum as soon as administratively practicable. Upon separation of service, a participant with a vested account balance greater than \$5,000 may elect to receive a lump-sum payment or maintain the vested balance in the Plan. A participant may also elect to receive an account distribution if the participant has attained the age 59 ½ or incurred a hardship in accordance with the Plan provisions.

**Forfeited Accounts** — Forfeitures may be used to reduce employer contributions or to pay plan expenses. As of December 31, 2021 and 2020, there were no forfeited, non-vested account balances. During 2021, there were no forfeited non-vested account balances used to pay plan expenses or reduce employee contributions.

**Administrative Expenses** — Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are deducted from net appreciation of fair value of investments.

**Plan Tax Status** — The Plan is a prototype plan of Automatic Data Processing (ADP). The IRS has determined and informed ADP by a letter dated July 8, 2014, that the prototype plan is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since the date of the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified.

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 IRS. The Plan Administrator has concluded that as of December 31, 2021, the Plan has no material uncertain tax positions.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** — The accounts of the Plan and the accompanying financial statements have been prepared on the accrual basis of accounting.

**Valuation of Investments 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.

The plan administrator determines the Plan's valuation policies utilizing information provided by the asset trustee. See Note 3 for information on 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 or depreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Use of Estimates** — Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Notes Receivable from Participants** — Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2021. If a participant ceases to make loan payments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Benefit Payments** — Benefits are recorded when paid.

**Subsequent Events** — The Company has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

### 3. INVESTMENTS

Generally accepted accounting principles require the Plan to use a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access.

Level 2: Prices determined using significant other observable inputs. Inputs to the valuation methodology include:

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

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

Level 3: Prices determined using significant unobservable inputs.

The investment'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, 2021.

*Mutual Funds and Common Stocks:* Valued at the price of shares held by the Plan at year-end. The share prices are quoted in active markets.

*Collective Investment Trust:* Valued at the net asset value of shares held by the Plan at year-end. The net asset value is used as a practical expedient to measure fair value. This practical expedient would not be used if it is determined to be probable that the investment will be sold for an amount different from the reported net asset value. There are no significant restrictions on the accounts. Investments for which fair value is measured using the net asset value per share practical expedient are not categorized within the fair value hierarchy.

The preceding methods 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 different fair value measurements at the reporting date.

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

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
<b>2021:</b>				
Mutual funds	\$ 1,445,093	\$ —	\$ —	\$ 1,445,093
Investments measured at net asset value				<u>32,137</u>
Total investments				<u>\$ 1,477,230</u>
<b>2020:</b>				
Mutual funds	\$ 883,405			\$ 883,405
Common stocks	58,728			58,728
Money market funds	<u>10,828</u>			<u>10,828</u>
Total investments in the fair value hierarchy	<u>\$ 952,961</u>	<u>\$ —</u>	<u>\$ —</u>	952,961
Investments measured at net asset value				<u>3,123</u>
Total investments				<u>\$ 956,084</u>

#### 4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The following is a summary of the information obtained by management and agreed to or derived from information certified as complete and accurate by Reliance Trust Company, the trustee of the Plan.

- Investments
- Notes receivable from participants
- Investment income
  - Interest and dividend income
  - Net appreciation in fair value of investments
- Interest income on notes receivable from participants
- Supplemental schedule of assets held at end of year

Directed brokerage accounts that are not held and certified by Reliance Trust Company and, accordingly, audited consist of investments totaling \$0 and \$69,556 as of December 31, 2021 and 2020, respectively, and interest and dividend income of \$211 and net appreciation in fair value of investments of \$1,248 for the year ended December 31, 2021.

#### 5. RECONCILIATION OF FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of changes in net assets available for benefits per the financial statements for the year ended December 31, 2021 to the Form 5500:

Net change in net assets available for benefits per the Form 5500	\$ (987,926)
Participant contributions receivable at December 31, 2020	(3,928)
Employer contributions receivable at December 31, 2020	<u>(2,863)</u>
Net change in net assets available for benefits per the financial statements	<u>\$ (994,717)</u>

The Plan's Form 5500 for the year ended December 31, 2021 reflects all assets being transferred to the Challenger Homes 401(k) Plan. The financial statements reflect the assets and a liability to the Challenger Homes 401(k) Plan because the asset transfer was completed after December 31, 2021. Ending net assets on both the Form 5500 and the financial statements is zero.

#### 6. RISKS AND UNCERTAINTIES

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

**7. EXCESS CONTRIBUTIONS PAYABLE**

Participant contributions to the Plan are subject to limitations under the Internal Revenue Code. Section 402(g) of the IRC limits the amount of elective deferrals that participants may contribute to the Plan during a calendar year.

For the year ended December 31, 2021, contributions of \$59,036 were identified as exceeding the 402(g) limit. As of December 31, 2021, these excess contributions, plus applicable earnings, had not yet been refunded to participants.

On December 31, 2021 this Plan was merged into Challenger Homes 401(k). Accordingly, the obligation to correct and refund the excess contributions was transferred to the Challenger Homes 401(k) Plan subsequent to year-end.

**8. NON-EXEMPT PROHIBITED TRANSACTIONS – DELINQUENT PARTICIPANT CONTRIBUTIONS**

Defined contribution plans are required to remit employee contributions to the Plan as soon as they can be reasonably segregated from the employer's general assets. During 2021, contributions totaling \$124,140 were not timely remitted. The contributions were fully remitted in 2021. However, the lost earnings have not yet been remitted.

**THE CHALLENGER GROUP INC. 401(k) PLAN**

**SUPPLEMENTAL SCHEDULE**

**THE CHALLENGER GROUP INC. 401(k) PLAN**  
**EIN 46-1843213**  
**PN 001**

**SCHEDULE H, LINE 4a — SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

---

Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments Are Included: <input checked="" type="checkbox"/>	Total That Constitutes Non — Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002 – 51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 124,140	\$ 124,140	\$ —	\$ —	\$ —

**THE CHALLENGER GROUP INC. 401(k) PLAN**  
**EIN 46-1843213**  
**PN 001**

**SCHEDULE H, LINE 4i — SCHEDULE OF ASSETS HELD AT END OF YEAR**  
**DECEMBER 31, 2021**

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Current Value
Mutual funds:		
State Street Global Advisors	State Street Equity 500 Index Fund Class K	\$ 578,463
Fidelity Investments	Fidelity Freedom Index 2040 Premier	152,298
Fidelity Investments	Fidelity Freedom Index 2035 Premier	145,578
Fidelity Investments	Fidelity Freedom Index 2055 Premier	116,937
Vanguard	Vanguard Mid Cap Index Admiral	112,392
Vanguard	Vanguard Small Cap Value Index Admiral	65,594
Principal Funds	Principal Real Estate Securities Fund Class R6	46,050
American Funds	American Funds Growth Fund of Amer A	32,316
Fidelity Investments	Fidelity Freedom Index 2045 Premier	31,849
Fidelity Investments	Fidelity Freedom Index 2030 Premier	30,327
Fidelity Investments	Fidelity Freedom Index 2050 Fund-Premier Class	29,861
Fidelity Investments	Fidelity Freedom Index 2015 Fund-Premier Class	18,213
BlackRock	iShares MSCI EAFE International Index Fund	10,393
Fidelity Investments	Fidelity Freedom Index 2020 Premier	9,778
Fidelity Investments	Fidelity Freedom Index 2060 Premier	9,604
JPMorgan	JPMorgan Equity Income R6	9,034
Fidelity Investments	Fidelity Freedom Index 2025 Premier	7,962
Vanguard	Vanguard Intermediate-Term Bond Index Fund	7,382
Fidelity Investments	Fidelity Freedom Index 2065 Premier	6,429
Janus Henderson	Janus Henderson Triton Fund	5,139
American Century Investments	American Century Emerging Markets R6	5,107
BlackRock	BlackRock Total Return K	4,745
Dimensional Fund Advisors	DFA Commodity Strategy Institutional	3,491
Goldman Sachs	Goldman Sachs Infl Protected Secs R6	3,382
Fidelity Investments	Fidelity Freedom Index Income Fund-Premier Class	1,883
Lord Abbett	Lord Abbett High Yield Fund R6	838
T. Rowe Price	T. Rowe Price Dividend Growth Fund	48
Collective trust:		
Invesco	Invesco Stable Asset - ADPZ	32,137
Notes receivable		
from participants	Participant loans, interest ranges from 5.25% - 6.75%, maturity dates through October 2025	<u>12,695</u>
Total		<u>\$ 1,489,925</u>

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2021</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

<b>A</b> Name of plan <u>THE CHALLENGER GROUP, INC. 401(K) PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500  <u>THE CHALLENGER GROUP, INC.</u>	<b>D</b> Employer Identification Number (EIN)  <u>46-1843213</u>	

<b>Part I</b>	<b>Distributions</b>
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**All references to distributions relate only to payments of benefits during the plan year.**

<b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<b>1</b>	<u>0</u>
<b>2</b> 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): <u>57-1198022</u>		
<b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>		
<b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....	<b>3</b>	

<b>Part II</b>	<b>Funding Information</b> (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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<b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>If the plan is a defined benefit plan, go to line 8.</b>			
<b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____ <b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b>			
<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>		
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>		
<b>c</b> 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).....	<b>6c</b>		
<b>If you completed line 6c, skip lines 8 and 9.</b>			
<b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
<b>8</b> 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? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

<b>Part III</b>	<b>Amendments</b>
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<b>9</b> 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.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
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<b>Part IV</b>	<b>ESOPs</b> (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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<b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>11 a</b> Does the ESOP hold any preferred stock? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</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.) .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No

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

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (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:

<b>a</b> 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).....	<b>14a</b>	
<b>b</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).....	<b>14b</b>	
<b>c</b> 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).....	<b>14c</b>	

**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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year.....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year.....	<b>15b</b>	

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

<b>a</b> Enter the number of employers who withdrew during the preceding plan year.....	<b>16a</b>	
<b>b</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.....	<b>16b</b>	

**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) through (c)

**a** Enter the percentage of plan assets held as:  
 Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%

**b** Provide the average duration of the combined investment-grade and high-yield debt:  
 0-3 years  3-6 years  6-9 years  9-12 years  12-15 years  15-18 years  18-21 years  21 years or more

**c** What duration measure was used to calculate line 19(b)?  
 Effective duration  Macaulay duration  Modified duration  Other (specify): \_\_\_\_\_

**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 \_\_\_\_\_



**THE CHALLENGER GROUP INC. 401(K) PLAN**

**Financial Statements**

**As of December 31, 2021 and 2020**

**And For the Year Ended December 31, 2021**

**Supplemental Schedules**

**As of December 31, 2021,**

**And**

**Independent Auditors' Report**

# THE CHALLENGER GROUP INC. 401(k) PLAN

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## INDEPENDENT AUDITORS' REPORT

The Plan Administrator  
The Challenger Group Inc. 401(k) Plan  
Colorado Springs, Colorado

### Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the Financial Statements

We have performed an audit of the accompanying financial statements of The Challenger Group Inc. 401(k) Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 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 certifications from a qualified institution as of December 31, 2021 and 2020, and the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

### Opinion

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 financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the financial statements referred to above related to assets held by and certified to by 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 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 the 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 Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 of the Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the Financial Statements 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 the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 schedules of Delinquent Participant Contributions for the year ended December 31, 2021 and Assets Held At End of Year as of December 31, 2021 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, have 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 schedules 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 schedules, 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 schedules, other than the information in the supplemental schedules that agreed to or are 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 schedules related to assets held by and certified to by a qualified institution agrees to, or are 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).

*Stockman Kast Ryan & Co, LLP*

Colorado Springs, Colorado  
December 11, 2025

## THE CHALLENGER GROUP INC. 401(k) PLAN

### STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2021 AND 2020

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	2021	2020
<b>ASSETS</b>		
Investments, at fair value	\$ 1,477,230	\$ 956,084
Notes receivable from participants	12,695	31,842
<b>CONTRIBUTIONS RECEIVABLE</b>		
Participants		3,928
Employer		2,863
Total	<u>1,489,925</u>	<u>994,717</u>
<b>LIABILITIES</b>		
Due to Challenger Homes 401k Plan as a result of plan merger	1,430,889	
Excess contributions payable	<u>59,036</u>	
Total	<u>1,489,925</u>	<u>—</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ —</u>	<u>\$ 994,717</u>

See notes to financial statements.

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## THE CHALLENGER GROUP INC. 401(k) PLAN

### STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2021

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#### ADDITIONS TO PLAN ASSETS

##### Contributions:

Participants	\$	258,631
Employer		<u>152,936</u>

Total contributions		<u>411,567</u>
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#### INVESTMENT INCOME

Net appreciation in fair value of investments		182,631
Interest and dividend income		36,499
Other income		<u>1,459</u>

Net investment income		<u>220,589</u>
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Interest income on notes receivable from participants		<u>2,101</u>
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TOTAL ADDITIONS		<u>634,257</u>
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#### DEDUCTIONS FROM PLAN ASSETS

Benefit payments		136,765
Other		<u>2,284</u>

TOTAL DEDUCTIONS		<u>139,049</u>
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Transfer of net assets out of plan due to merger - Challenger Homes 401k Plan		<u>1,489,925</u>
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NET DECREASE IN NET ASSETS		(994,717)
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NET ASSETS AVAILABLE FOR BENEFITS, Beginning of year		<u>994,717</u>
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NET ASSETS AVAILABLE FOR BENEFITS, End of year	\$	<u><u>—</u></u>
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See notes to financial statements.

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# THE CHALLENGER GROUP INC. 401(k) PLAN

## NOTES TO FINANCIAL STATEMENTS

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### 1. DESCRIPTION OF THE PLAN

The following brief description of The Challenger Group Inc. 401(k) Plan (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description for more complete information.

**General** — The Plan is a defined contribution plan covering eligible employees of The Challenger Group Inc. , Goodwin Knight LLC, Key Structures LLC and Westover Homes LLC (collectively, the Company). Employees who are not leased employees, are at least 21 years of age, and have completed three months of service are eligible to participate in the Plan. Participants are eligible for safe harbor matching contributions after making elective deferrals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

**Plan Mergers** — Effective December 31, 2021, this Plan was merged into the Challenger Homes 401(k) Plan. Net assets of \$1,489,925 were transferred into Challenger Homes 401(k) plan during the year ended December 31, 2022.

**Contributions** — A participant may elect to have a percentage of their compensation withheld by the Company and contributed to the Plan on their behalf as an elective contribution in lieu of receiving such amount as compensation. Such contributions may not exceed the limits established in the Internal Revenue Code (IRC). The Company makes safe harbor contributions matching 100% of employee contributions up to the first 6 % of employee contributions. The Company may also make non-elective contributions to the Plan.

**Participants' Accounts** — Each participant shall have one account and such account will be credited with the participant's contributions, an allocation of the Company's contributions, and an allocation of the Plan's earnings and losses. The Plan's earnings or losses, excluding that related to participants' loans, are allocated to the participant's account based upon the proportion that each participant's account bears to the total participants' account balances related to that fund. Earnings resulting from loans to participants are credited to the respective participant's account. Participants direct the investment of their contributions into various investment options offered by the Plan.

**Notes Receivable from Participants** — Participants may borrow from their accounts a minimum of \$500 up to a maximum equal to the lesser of (a) \$50,000 or (b) 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with prevailing rates. A participant may have a maximum of two loans outstanding at any one time. Principal and interest is paid ratably through regular payroll deductions.

**Vesting** — Participants are 100% vested in the amounts they contribute, the Company's safe harbor contributions, and the Company's discretionary matching contributions and an allocation of the earnings or losses thereon.

Participants vest in the Company's non-elective contributions, and an allocation of the earnings or losses thereon as follows:

<b>Years of Service</b>	<b>Vested Percentage</b>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

**Payment of Benefits** — Upon separation of service, the Plan will distribute vested account balances not exceeding \$5,000 in a lump-sum as soon as administratively practicable. Upon separation of service, a participant with a vested account balance greater than \$5,000 may elect to receive a lump-sum payment or maintain the vested balance in the Plan. A participant may also elect to receive an account distribution if the participant has attained the age 59 ½ or incurred a hardship in accordance with the Plan provisions.

**Forfeited Accounts** — Forfeitures may be used to reduce employer contributions or to pay plan expenses. As of December 31, 2021 and 2020, there were no forfeited, non-vested account balances. During 2021, there were no forfeited non-vested account balances used to pay plan expenses or reduce employee contributions.

**Administrative Expenses** — Certain expenses of maintaining the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are deducted from net appreciation of fair value of investments.

**Plan Tax Status** — The Plan is a prototype plan of Automatic Data Processing (ADP). The IRS has determined and informed ADP by a letter dated July 8, 2014, that the prototype plan is designed in accordance with applicable sections of the IRC. Although the Plan has been amended since the date of the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified.

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 IRS. The Plan Administrator has concluded that as of December 31, 2021, the Plan has no material uncertain tax positions.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** — The accounts of the Plan and the accompanying financial statements have been prepared on the accrual basis of accounting.

**Valuation of Investments 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.

The plan administrator determines the Plan's valuation policies utilizing information provided by the asset trustee. See Note 3 for information on 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 or depreciation in fair value of investments includes the Plan's gains and losses on investments bought and sold as well as held during the year.

**Use of Estimates** — Preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

**Notes Receivable from Participants** — Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2021. If a participant ceases to make loan payments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Benefit Payments** — Benefits are recorded when paid.

**Subsequent Events** — The Company has evaluated subsequent events for recognition or disclosure through the date of the Independent Auditors' Report, which is the date the financial statements were available for issuance.

### 3. INVESTMENTS

Generally accepted accounting principles require the Plan to use a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access.

Level 2: Prices determined using significant other observable inputs. Inputs to the valuation methodology include:

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

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

Level 3: Prices determined using significant unobservable inputs.

The investment'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, 2021.

*Mutual Funds and Common Stocks:* Valued at the price of shares held by the Plan at year-end. The share prices are quoted in active markets.

*Collective Investment Trust:* Valued at the net asset value of shares held by the Plan at year-end. The net asset value is used as a practical expedient to measure fair value. This practical expedient would not be used if it is determined to be probable that the investment will be sold for an amount different from the reported net asset value. There are no significant restrictions on the accounts. Investments for which fair value is measured using the net asset value per share practical expedient are not categorized within the fair value hierarchy.

The preceding methods 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 different fair value measurements at the reporting date.

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

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
<b>2021:</b>				
Mutual funds	\$ 1,445,093	\$ —	\$ —	\$ 1,445,093
Investments measured at net asset value				<u>32,137</u>
Total investments				<u>\$ 1,477,230</u>
<b>2020:</b>				
Mutual funds	\$ 883,405			\$ 883,405
Common stocks	58,728			58,728
Money market funds	<u>10,828</u>			<u>10,828</u>
Total investments in the fair value hierarchy	<u>\$ 952,961</u>	<u>\$ —</u>	<u>\$ —</u>	952,961
Investments measured at net asset value				<u>3,123</u>
Total investments				<u>\$ 956,084</u>

#### 4. INFORMATION PREPARED AND CERTIFIED BY THE TRUSTEE

The following is a summary of the information obtained by management and agreed to or derived from information certified as complete and accurate by Reliance Trust Company, the trustee of the Plan.

- Investments
- Notes receivable from participants
- Investment income
  - Interest and dividend income
  - Net appreciation in fair value of investments
- Interest income on notes receivable from participants
- Supplemental schedule of assets held at end of year

Directed brokerage accounts that are not held and certified by Reliance Trust Company and, accordingly, audited consist of investments totaling \$0 and \$69,556 as of December 31, 2021 and 2020, respectively, and interest and dividend income of \$211 and net appreciation in fair value of investments of \$1,248 for the year ended December 31, 2021.

#### 5. RECONCILIATION OF FINANCIAL STATEMENTS TO THE FORM 5500

The following is a reconciliation of changes in net assets available for benefits per the financial statements for the year ended December 31, 2021 to the Form 5500:

Net change in net assets available for benefits per the Form 5500	\$ (987,926)
Participant contributions receivable at December 31, 2020	(3,928)
Employer contributions receivable at December 31, 2020	<u>(2,863)</u>
Net change in net assets available for benefits per the financial statements	<u>\$ (994,717)</u>

The Plan's Form 5500 for the year ended December 31, 2021 reflects all assets being transferred to the Challenger Homes 401(k) Plan. The financial statements reflect the assets and a liability to the Challenger Homes 401(k) Plan because the asset transfer was completed after December 31, 2021. Ending net assets on both the Form 5500 and the financial statements is zero.

#### 6. RISKS AND UNCERTAINTIES

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

**7. EXCESS CONTRIBUTIONS PAYABLE**

Participant contributions to the Plan are subject to limitations under the Internal Revenue Code. Section 402(g) of the IRC limits the amount of elective deferrals that participants may contribute to the Plan during a calendar year.

For the year ended December 31, 2021, contributions of \$59,036 were identified as exceeding the 402(g) limit. As of December 31, 2021, these excess contributions, plus applicable earnings, had not yet been refunded to participants.

On December 31, 2021 this Plan was merged into Challenger Homes 401(k). Accordingly, the obligation to correct and refund the excess contributions was transferred to the Challenger Homes 401(k) Plan subsequent to year-end.

**8. NON-EXEMPT PROHIBITED TRANSACTIONS – DELINQUENT PARTICIPANT CONTRIBUTIONS**

Defined contribution plans are required to remit employee contributions to the Plan as soon as they can be reasonably segregated from the employer's general assets. During 2021, contributions totaling \$124,140 were not timely remitted. The contributions were fully remitted in 2021. However, the lost earnings have not yet been remitted.

**THE CHALLENGER GROUP INC. 401(k) PLAN**

**SUPPLEMENTAL SCHEDULE**

**THE CHALLENGER GROUP INC. 401(k) PLAN**  
**EIN 46-1843213**  
**PN 001**

**SCHEDULE H, LINE 4a — SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

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Participant Contributions Transferred Late to Plan Check Here if Late Participant Loan Repayments Are Included: <input checked="" type="checkbox"/>	Total That Constitutes Non — Exempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002 – 51
	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 124,140	\$ 124,140	\$ —	\$ —	\$ —

**THE CHALLENGER GROUP INC. 401(k) PLAN**  
**EIN 46-1843213**  
**PN 001**

**SCHEDULE H, LINE 4i — SCHEDULE OF ASSETS HELD AT END OF YEAR**  
**DECEMBER 31, 2021**

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Current Value
Mutual funds:		
State Street Global Advisors	State Street Equity 500 Index Fund Class K	\$ 578,463
Fidelity Investments	Fidelity Freedom Index 2040 Premier	152,298
Fidelity Investments	Fidelity Freedom Index 2035 Premier	145,578
Fidelity Investments	Fidelity Freedom Index 2055 Premier	116,937
Vanguard	Vanguard Mid Cap Index Admiral	112,392
Vanguard	Vanguard Small Cap Value Index Admiral	65,594
Principal Funds	Principal Real Estate Securities Fund Class R6	46,050
American Funds	American Funds Growth Fund of Amer A	32,316
Fidelity Investments	Fidelity Freedom Index 2045 Premier	31,849
Fidelity Investments	Fidelity Freedom Index 2030 Premier	30,327
Fidelity Investments	Fidelity Freedom Index 2050 Fund-Premier Class	29,861
Fidelity Investments	Fidelity Freedom Index 2015 Fund-Premier Class	18,213
BlackRock	iShares MSCI EAFE International Index Fund	10,393
Fidelity Investments	Fidelity Freedom Index 2020 Premier	9,778
Fidelity Investments	Fidelity Freedom Index 2060 Premier	9,604
JPMorgan	JPMorgan Equity Income R6	9,034
Fidelity Investments	Fidelity Freedom Index 2025 Premier	7,962
Vanguard	Vanguard Intermediate-Term Bond Index Fund	7,382
Fidelity Investments	Fidelity Freedom Index 2065 Premier	6,429
Janus Henderson	Janus Henderson Triton Fund	5,139
American Century Investments	American Century Emerging Markets R6	5,107
BlackRock	BlackRock Total Return K	4,745
Dimensional Fund Advisors	DFA Commodity Strategy Institutional	3,491
Goldman Sachs	Goldman Sachs Infl Protected Secs R6	3,382
Fidelity Investments	Fidelity Freedom Index Income Fund-Premier Class	1,883
Lord Abbett	Lord Abbett High Yield Fund R6	838
T. Rowe Price	T. Rowe Price Dividend Growth Fund	48
Collective trust:		
Invesco	Invesco Stable Asset - ADPZ	32,137
Notes receivable		
from participants	Participant loans, interest ranges from 5.25% - 6.75%, maturity dates through October 2025	<u>12,695</u>
Total		<u>\$ 1,489,925</u>