

Universidad del Sagrado Corazón Savings Plan  
(formerly, Universidad del Sagrado Corazón 1165 (e) Plan)

Financial Statements and  
Supplemental Schedule

June 30, 2023 and 2022

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees, Plan's Administrator  
and Participants of Universidad del Sagrado Corazón Savings Plan:

### Opinion

We have audited the financial statements of Universidad del Sagrado Corazón Savings Plan (the Plan), an employee benefit plan, which comprise the statements of net assets available for benefits as of June 30, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of Universidad del Sagrado Corazón Savings Plan as of June 30, 2023 and 2022, and the changes in net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis of Opinion

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

### Responsibilities of Management for the Financial Statements

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

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

To the Board of Trustees, Plan's Administrator  
and Participants of Universidad del Sagrado Corazón Savings Plan  
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Responsibilities of Management for the Financial Statements – (continued)

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risk 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 Universidad del Sagrado Corazón Savings 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Universidad del Sagrado Corazón Savings Plan's ability to continue as a going concern for a reasonable period of time.

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

To the Board of Trustees, Plan's Administrator  
and Participants of Universidad del Sagrado Corazón Savings Plan  
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Supplemental Schedule

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule of Assets (Held at End of Year) as of June 30, 2023, is presented for purposes of additional analysis and is not a required part of the financial statements. 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 has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In our opinion, the supplemental schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.



Galíndez LLC

San Juan, Puerto Rico  
November 6, 2023  
License No. LLC-322  
Expires December 1, 2026

Universidad del Sagrado Corazón Savings Plan  
(formerly, Universidad del Sagrado Corazón 1165(e) Plan)

Statements of Net Assets Available for Benefits

June 30, 2023 and 2022

|                                   | <u>2023</u>         | <u>2022</u>         |
|-----------------------------------|---------------------|---------------------|
| Assets                            |                     |                     |
| Investments, at fair value        | \$ 5,309,508        | \$ 5,117,035        |
| Receivables:                      |                     |                     |
| Employer's contribution           | 144,226             | 69,975              |
| Participants' contribution        | <u>21,520</u>       | <u>22,404</u>       |
| Total receivables                 | <u>165,746</u>      | <u>92,379</u>       |
| Net assets available for benefits | <u>\$ 5,475,254</u> | <u>\$ 5,209,414</u> |

See notes to financial statements

Universidad del Sagrado Corazón Savings Plan  
(formerly, Universidad del Sagrado Corazón 1165(e) Plan)

Statements of Changes in Net Assets Available for Benefits

For the Years Ended June 30, 2023 and 2022

|                                                              | <u>2023</u>         | <u>2022</u>         |
|--------------------------------------------------------------|---------------------|---------------------|
| Additions to net assets attributed to:                       |                     |                     |
| Contributions:                                               |                     |                     |
| Employer                                                     | \$ 249,371          | \$ 197,784          |
| Participants                                                 | 639,557             | 494,542             |
| Rollovers                                                    | <u>51,411</u>       | <u>45,214</u>       |
| Total additions and contributions                            | <u>940,339</u>      | <u>737,540</u>      |
| Investment income                                            |                     |                     |
| Net appreciation in fair value of investments                | <u>493,898</u>      | <u>-</u>            |
| Total additions                                              | <u>1,434,237</u>    | <u>737,540</u>      |
| Deductions from net assets attributed to:                    |                     |                     |
| Benefits paid to participants                                | 1,140,423           | 572,723             |
| Administrative and other expenses                            | 27,974              | 30,853              |
| Investment loss -                                            |                     |                     |
| Net depreciation in fair value of investments                | <u>-</u>            | <u>740,996</u>      |
| Total deductions                                             | <u>1,168,397</u>    | <u>1,344,572</u>    |
| Net increase (decrease) in net assets available for benefits | 265,840             | (607,032)           |
| Net assets available for benefits, beginning of year         | <u>5,209,414</u>    | <u>5,816,446</u>    |
| Net assets available for benefits, end of year               | <u>\$ 5,475,254</u> | <u>\$ 5,209,414</u> |

See notes to financial statements

Universidad del Sagrado Corazón Savings Plan  
(formerly, Universidad del Sagrado Corazón Savings 1165(e) Plan)

Notes to Financial Statements

June 30, 2023 and 2022

Note 1 - Description of the Plan

The following description of the Universidad del Sagrado Corazón Savings Plan (the Plan) is provided for general information purposes only. More complete information is available in the Plan Document.

General

The Plan provides a means for eligible full-time employees of indefinite or prolonged employment, as defined by the Universidad del Sagrado Corazón (the Plan Sponsor or the Employer), to save money through payroll deduction.

The Plan allows participants the flexibility to choose to invest their contributions among a variety of investment funds.

The Plan was established on October 31, 2006. The Plan is a defined contribution plan under Sections 1081.01 (a) and (d) of the 2011 Puerto Rico Internal Revenue Code. The assets of the Plan are held in a trust fund created by the Employer pursuant to a certain deed of trust. Prior to July 1, 2020, the Plan followed the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Administrative Committee is the Plan's administrator and fiduciary with duties and functions specified in the Plan Document. Oriental Bank & Trust serves as the Trustee and record keeper of the Plan. Transamerica Life Insurance Company is the Custodian of the Plan's assets. Effective September 1, 2023, the Plan Sponsor entered into a service agreement with Banco Popular de Puerto Rico for trustee, custodian and record keeping services to the Plan.

In 2017, the United States Supreme Court (the Supreme Court) held that ERISA does not apply to certain pension plans that are church plans and clarified the scope of this exemption. The Supreme Court interpreted that ERISA exempts plans established by a church and also certain plans sponsored or established by organizations controlled by or affiliated with a church. During the year ended June 30, 2020, the Employer evaluated the history of the Employer, governance documents (statutes and deeds), documents related to the Plan (the Plan Document with its amendments and the deed of trust), and the determination letters issued by the Puerto Rico Department of Treasury of and the pertinent federal jurisprudence. The Employer, with the advice of legal counsel, concluded that the Plan is and has always been by provision of law, a church plan, as defined in Section 3(33) of ERISA and is therefore exempt from ERISA.

Effective as of July 1, 2020, the Plan was restated to reflect that the Plan is a church plan and has been a church plan since its inception and changed its name to Universidad del Sagrado Corazón Savings Plan.



Universidad del Sagrado Corazón Savings Plan  
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Notes to Financial Statements

June 30, 2023 and 2022

Eligibility

The Plan defines “Employee” as a full-time employee of indefinite or prolonged employment, as defined by Universidad del Sagrado Corazón, who is a resident of Puerto Rico. An Employee who is a Participant in the Plan as of the Effective Date of July 1, 2020, shall continue to be a Participant in the Plan, and an Employee who is not a Participant in the Plan as of the Effective Date of July 1, 2020, may become a Participant on a future Entry Date.

On November 3, 2022, the Administrative Committee unanimously resolved to establish the following administrative decision effective November 1, 2022:

1. The Entry Date for an Eligible Employee to become a Participant in the Savings Plan shall be July 1<sup>st</sup>, following the employment date, provided that such date will be uniformly applied and communicated to all Participants.
2. The Automatic Enrollment Date for an Eligible Employee who does not make an application prior to the Automatic Enrollment Date shall be July 1<sup>st</sup>, following the employment date, provided that such date will be uniformly applied and communicated to all Participants.

Contributions

Participants may contribute to the Plan on a voluntary basis, while the Plan Sponsor shall contribute a discretionary amount. An eligible employee may become a participant by: (a) making an application and designating the percentage of compensation to be contributed as pre-tax contributions and/or after-tax contributions; (b) authorizing applicable payroll deductions; and (c) choosing one or more investment fund. The maximum contribution will be an amount not to exceed the maximum allowed by law.

An eligible employee that does not make the application prior to his automatic enrollment date becomes a participant effective as of his automatic enrollment date and shall be deemed to have: (a) authorized payroll deductions for pre-tax contributions equal to 1% of his compensation, and (b) elected to invest such contributions in such fund as the Plan’s Administrative Committee may designate. On November 3, 2022, the Administrative Committee approved a first amendment to the Plan, effective on July 1, 2020, by eliminating the 1% language in the Plan Document to that only the Plan participants may elect to change at any time the percentage of his or her authorized payroll deduction by giving notice to the Administrative Committee.

A participant may elect to suspend his pre-tax or after-tax contributions by notifying the Plan’s Administrative Committee in advance. The Employer will not make any contributions on behalf of a participant during a period of suspension of his pre-tax contributions.

Universidad del Sagrado Corazón Savings Plan  
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Notes to Financial Statements

June 30, 2023 and 2022

Participant Accounts

Individual accounts are maintained for each Plan's participant. A participant's account includes (a) after-tax contribution, (b) pre-tax contribution, and (c) employer contribution. Some participants may also have rollover contribution accounts. Allocations are based on participant's share of the Plan's income (losses) and any related expenses. The change in the value of the Plan's invested assets is posted in the participant's account on a daily basis.

Vesting

Effective July 1, 2020, participant's contributions are at all times fully vested. Contributions transferred to the Plan pursuant to a rollover are also at all times fully vested. A participant is fully vested in his Employer's contributions upon the earliest of: (i) completion of 36 months of service, or (ii) in the event of any one of the following: (a) attainment of age 65 while an employee, (b) retirement, (c) disability while an employee, (d) death while an employee or while performing "qualified military service", or (e) termination of the Plan.

Investment Options

All participant contributions will be invested at the election of the participant in multiples of 1% in the investment funds. A participant may make or change an election on any day by giving notice to the Plan's Administrative Committee. Employer contributions will track the investment fund elections that a participant makes with regard to his contributions.

The Plan's Administrative Committee has the authority and responsibility to select and designate the investment funds and may eliminate, add or modify any funds from time to-time. Participants are solely responsible for the selection of his investment funds from among those available for investment under the Plan.

Notes Receivable from Participants

Notes receivable from participants are not permitted.

Distribution of Benefits

A participant who has a termination of employment for reasons other than death will receive a distribution of the value of his vested accounts in the form of a lump sum or other form of payment as defined and approved by the Plan's Administrative Committee. The accounts of a participant who has died will be distributed to his beneficiary in a single lump sum payment.

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Notes to Financial Statements

June 30, 2023 and 2022

Withdrawals Prior to Termination of Employment

Withdrawals may only be made by prior notice to the Plan's Administrative Committee, and excluding hardship withdrawals, no more than one withdrawal may be made in any six-month period. Except as may be specified by the Plan's Administrative Committee, no more than one hardship withdrawal may be made in any twelve-month period.

Hardship Withdrawals

A participant may make a withdrawal of money for an immediate and heavy financial need. A hardship withdrawal will be considered to be necessary to satisfy the financial need if it does not exceed the sum of (i) the amount required to meet such need, and (ii) any amounts necessary to pay Puerto Rico income taxes reasonably anticipated as a result of the distribution.

Restrictions on Pre-Tax Contribution Distributions

A participant's pre-tax contribution account may not be distributed earlier than upon one of the following events: (a) the participant's retirement, death, disability, or termination of employment; (b) the termination of the Plan without the establishment of a successor plan; (c) a participant's hardship; or (d) the sale or other disposition of the Employer to an unrelated corporation, which does not maintain the Plan.

Declared Disaster Distributions

Upon a written determination by the Puerto Rico Secretary of the Treasury by regulation, administrative determination, circular letter or informative bulletin of general application after a declaration of disaster by the Governor of Puerto Rico as defined in Section 1031.01(b)(16)(C) of the Puerto Rico Internal Revenue Code (Puerto Rico Code), the Plan's Administrative Committee shall review the Governmental Disaster Guidance and communicate to Participants if Declared Disaster Distributions will be available from the Plan and the conditions and limitations applicable to such distributions (the Committee Guidelines).

Forfeited Accounts

If a participant's employment is terminated prior to attainment of age 65 for reasons other than retirement, disability, death, or job elimination, the portion, if any, of his Employer contribution account in which he is not vested shall be forfeited upon the earlier of: (i) the accrual of five (5) consecutive break in service years, or (ii) the receipt of a cash-out. Forfeitures attributable to former participants (or employees) shall be used to reduce the contributions otherwise payable to the Plan by the Employer.

Universidad del Sagrado Corazón Savings Plan  
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Notes to Financial Statements

June 30, 2023 and 2022

As of June 30, 2023 and 2022, forfeited nonvested accounts amounted to \$63,651 and \$51,401, respectively, and will be used to reduce future employer contributions.

Administrative Expenses

The expenses of administering the Plan, including, without limitation, reasonable fees and expenses of the trustee, certified public accountants, legal counsel, recordkeepers, auditors, investment managers and investment advisors, will be paid by the Plan.

Termination or Permanent Discontinuance of Contributions

Although it has not expressed any intent to do so, in accordance with the Plan Document, the Employer may terminate the Plan with respect to all or any groups of participants or direct a complete discontinuance of contributions for any reason at any time. In case of such termination or complete discontinuance of contributions, there shall automatically vest in the appropriate participants nonforfeitable rights to the Employer contributions credited to their accounts and the total amount in each participant's accounts shall be distributed, as the Plan's Administrative Committee shall direct, to him or for his benefit.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan have been prepared under the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Investments Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Quoted market prices are used to value investments, which represent the net asset value of units held by the Plan at year-end. Purchases and sales of investment units are reflected on a trade-date basis. Interest income is recorded as earned on an accrual basis. Dividends are recorded on the ex-dividend date.

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Notes to Financial Statements

June 30, 2023 and 2022

In accordance with the policy of stating investments at fair market value, net unrealized appreciation (depreciation) on investments for the year is reflected in the statements of changes in net assets available for benefits. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Management fees and certain operating expenses charged to the Plan for investments are deducted from income earned on a daily basis and are not separately reflected. Consequently, these management fees and operating expenses are reflected as a reduction of investment return for such investments.

Contributions

Participant contributions and employer matching and discretionary contributions are recorded in the period in which the Plan Sponsor makes the payroll deductions from the Participant's compensation.

Payment of Benefits

Benefits are recorded when paid.

Benefits Payable

The Plan accounts for benefits payable in accordance with the guidance provided by the American Institute of Certified Public Accountants Audit and Accounting Guide, Audits of Employee Benefit Plans. This guidance requires that benefits payable to persons who have withdrawn from participation in a defined contribution plan be disclosed in the notes to the financial statements rather than recorded as a liability of the Plan. As of June 30, 2023 and 2022, \$13,329 and nil, were owed to participants, respectively.

Note 3 - Fair Value Measurements

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

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

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

Universidad del Sagrado Corazón Savings Plan  
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Notes to Financial Statements

June 30, 2023 and 2022

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 2 | Inputs to the valuation methodology include: <ul style="list-style-type: none"><li>• Quoted prices for similar assets or liabilities in active markets;</li><li>• Quoted prices for identical or similar assets or liabilities in inactive markets;</li><li>• Inputs other than quoted prices that are observable for the asset or liability;</li><li>• Inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li></ul> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement.                                                                                                                                                                                                                                                                                                                                                                                 |

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

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 June 30, 2023 and 2022:

*Stable value fund* is valued using amortized cost which approximates fair value.

*Separate accounts investing in mutual funds or equity securities* are valued using quoted prices in active markets for identical assets.

*Separate accounts investing in fixed maturity securities* are valued based on pricing data provided by outside valuation services providers who in turn generally use the mean of bid and ask prices but may also use alternative observable pricing inputs for certain securities.

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

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Universidad del Sagrado Corazón Savings Plan  
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Notes to Financial Statements

June 30, 2023 and 2022

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2023 and 2022:

| Assets at Fair Value as of June 30, 2023 |                     |                     |             |                     |
|------------------------------------------|---------------------|---------------------|-------------|---------------------|
|                                          | Level 1             | Level 2             | Level 3     | Total               |
| Stable value fund                        | \$ -                | \$ 926,053          | \$ -        | \$ 926,053          |
| Separate accounts                        | 2,759,506           | 1,623,949           | -           | 4,383,455           |
| Total investments                        | <u>\$ 2,759,506</u> | <u>\$ 2,550,002</u> | <u>\$ -</u> | <u>\$ 5,309,508</u> |
| Assets at Fair Value as of June 30, 2022 |                     |                     |             |                     |
|                                          | Level 1             | Level 2             | Level 3     | Total               |
| Stable value fund                        | \$ -                | \$ 970,711          | \$ -        | \$ 970,711          |
| Separate accounts                        | 2,856,820           | 1,289,504           | -           | 4,146,324           |
| Total investments                        | <u>\$ 2,856,820</u> | <u>\$ 2,260,215</u> | <u>\$ -</u> | <u>\$ 5,117,035</u> |

Note 4 - Related Party Transactions

Certain Plan investments are managed by Transamerica Life Insurance Company, the Custodian of the Plan; therefore, these transactions are related party transactions. Fees paid by the Plan for custodian activities are included as a deduction of net assets available for benefits.

Note 5 - Tax Status

The Plan constitutes a qualified plan, exempt from income tax under the provisions of Section 1081.01 of the 2011 Puerto Rico Internal Revenue Code (Puerto Rico Code), as amended. The Plan Sponsor requested the Puerto Rico Department of Treasury a determination as to the Plan's qualified status under sections 1033.09 and 1081.01 of the Puerto Rico Code of 2011, as amended. On November 18, 2022, the Puerto Rico Department of the Treasury (Department) determined that the Universidad del Sagrado Corazon Savings Plan effective as of July 1, 2020, and July 1, 2021, meets the requirements of Section 1081.01 of the Puerto Rico Internal Revenue Code of 2011, as amended (Code), and the Regulations thereunder, and that the trust established thereunder will be entitled to exemption from local income taxes. The Plan was amended on December 20, 2022 and October 3, 2023.

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The Plan Sponsor and the Plan Administrator believe that the Plan, as designed and currently being operated, is in compliance with the applicable requirements of the Puerto Rico Code, as amended. Therefore, no provision for income taxes has been included in the Plan's financial statements. The Plan is not a qualified plan under the Internal Revenue Code of the United States.

US GAAP requires the Plan to evaluate uncertain tax positions. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the tax authorities. The Plan has concluded that as of June 30, 2023, there were no uncertain tax positions taken or expected to be taken. The Plan is subject to routine audits by taxing jurisdictions and regulators; however, there are currently no audits for any tax periods in progress.

Note 6 - Risk and Uncertainties

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

Note 7 - Non-discrimination Test

This test requires compliance with a determined percentage of contributions to the Plan as established in Section 1081.01 of the Puerto Rico Code.

The Plan complied with the non-discrimination test for the years ended June 30, 2023 and 2022, respectively.

Note 8 - Subsequent Events

The Plan Administrator has evaluated subsequent events through November 6, 2023, which is the date these financial statements were available to be issued. Except for the events disclosed in Note 1 and 5, no other events have occurred subsequent to the date of the statement of net assets available for benefits and through the date the financial statements were available to be issued, that would require additional adjustment to, or disclosure in, the financial statements.



Universidad del Sagrado Corazón Savings Plan  
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Schedule of Assets (Held at End of Year)

June 30, 2023

| Identity of Issue                              | Description of Investment      | Cost | Current Value       |
|------------------------------------------------|--------------------------------|------|---------------------|
| * Transamerica Asset Allocation - Moderate     | Separate Accounts 9,953 Units  | **   | \$ 310,181          |
| * Transamerica Stable Value                    | Stable Value 43,114 Units      | **   | 926,053             |
| * Transamerica Asset Allocation - Mod Growth   | Separate Accounts 11,569 Units | **   | 325,014             |
| * Transamerica Asset Allocation - Conservative | Separate Accounts 6,072 Units  | **   | 154,864             |
| * Transamerica Asset Allocation - Growth       | Separate Accounts 2,763 Units  | **   | 95,979              |
| * Transamerica Core Bond Ret                   | Separate Accounts 13,184 Units | **   | 607,362             |
| American Funds WAMU Investors                  | Separate Accounts 1,438 Units  | **   | 322,151             |
| Invesco International Growth                   | Separate Accounts 37,888 Units | **   | 760,381             |
| American Funds New Pers                        | Separate Accounts 810 Units    | **   | 155,492             |
| Federated Hermes MDT Sm Cp Cor                 | Separate Accounts 343 Units    | **   | 136,627             |
| WMC Disciplined US Growth                      | Separate Accounts 1,340 Units  | **   | 465,435             |
| Loomis Sayles Bond                             | Separate Accounts 4,463 Units  | **   | 365,407             |
| American Funds Growth Fund of America          | Separate Accounts 3,101 Units  | **   | 515,433             |
| Janus Forty                                    | Separate Accounts 758 Units    | **   | 32,726              |
| Pioneer Select Mid Cap Growth                  | Separate Accounts 6,509 Units  | **   | 122,391             |
| BNY Mellon Dynamic Value                       | Separate Accounts 96 Units     | **   | <u>14,012</u>       |
|                                                |                                |      | <u>\$ 5,309,508</u> |

\* Related party transactions.

\*\* Cost information is not disclosed for participant-directed investments.