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|---|---|---|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 24pt; font-weight: bold;">2014</div><br><br><b>This Form is Open to Public Inspection</b> |
|---|---|---|

|  |   |
|--|---|
| <b>Part I</b>  | <b>Annual Report Identification Information</b>   |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u> |   |
| <b>A</b> This return/report is for:  | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) _____ |
| <b>B</b> This return/report is:  | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).   |
| <b>C</b> If the plan is a collectively-bargained plan, check here. ....                                  | <input type="checkbox"/>  |
| <b>D</b> Check box if filing under:  | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)   |

|   |   |  |                   |
|---|---|--|-------------------|
| <b>Part II</b>  | <b>Basic Plan Information</b> —enter all requested information          |  |                   |
| <b>1a</b> Name of plan  | <u>SECURITY STATE BANK RETIREMENT AND 401(K) SAVINGS PLAN AND TRUST</u> | <b>1b</b> Three-digit plan number (PN) ▶ | <u>001</u>        |
|   |   | <b>1c</b> Effective date of plan         | <u>01/01/1975</u> |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) | <b>2b</b> Employer Identification Number (EIN)<br><u>91-2011590</u>     |  |                   |
| <u>SECURITY STATE BANK</u>  | <b>2c</b> Plan Sponsor's telephone number<br><u>360-330-2790</u>        |  |                   |
| <u>PO BOX 1050</u>  | <b>2d</b> Business code (see instructions)<br><u>522110</u>             |  |                   |
| <u>CENTRALIA, WA 98531</u>  | <u>1930 SOUTH GOLD STREET</u><br><u>CENTRALIA, WA 98531</u>             |  |                   |

**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.

|  |   |            |  |
|--|---|------------|--|
| <b>SIGN HERE</b>   | Filed with authorized/valid electronic signature. | 10/13/2015 | STACY ENGEL  |
|  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>   |   |            |  |
|  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>   |   |            |  |
|  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional) |   |            | Preparer's telephone number (optional)                       |
|  |   |            |  |

|  |  |  |
|--|--|--|
| <b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor<br>SECURITY STATE BANK RETIREMENT COMMITTEE<br>1930 SOUTH GOLD STREET<br>CENTRALIA, WA 98531   |  | <b>3b</b> Administrator's EIN<br>91-0957654  |
|  |  | <b>3c</b> Administrator's telephone number<br>360-330-2790   |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name  |  | <b>4b</b> EIN<br><br><b>4c</b> PN  |
| <b>5</b> Total number of participants at the beginning of the plan year  |  | <b>5</b> 130   |
| <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>6a(1)</b> 115   |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....  |  | <b>6a(2)</b> 108   |
| <b>b</b> Retired or separated participants receiving benefits .....  |  | <b>6b</b> 0  |
| <b>c</b> Other retired or separated participants entitled to future benefits.....  |  | <b>6c</b> 20   |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> . .....  |  | <b>6d</b> 128  |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....   |  | <b>6e</b> 0  |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . .....  |  | <b>6f</b> 128  |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....  |  | <b>6g</b> 107  |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....   |  | <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>   |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 2K 2T  |  |  |
| <b>b</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)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor   |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor   |
| <b>10</b> 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><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 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 \_\_\_\_\_

|   |   |   |
|---|---|---|
| <b>SCHEDULE A</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br><hr/> Department of Labor<br>Employee Benefits Security Administration<br><hr/> Pension Benefit Guaranty Corporation | <b>Insurance Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b><br><br>► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | OMB No. 1210-0110                             |
|   |   | <b>2014</b>                                   |
|   |   | <b>This Form is Open to Public Inspection</b> |

For calendar plan year 2014 or fiscal plan year beginning **01/01/2014** and ending **12/31/2014**

|  |  |            |
|--|--|------------|
| <b>A</b> Name of plan<br><b>SECURITY STATE BANK RETIREMENT AND 401(K) SAVINGS PLAN AND TRUST</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<br><b>SECURITY STATE BANK</b>      | <b>D</b> Employer Identification Number (EIN)<br><b>91-2011590</b> |            |

|               |   |
|---------------|---|
| <b>Part I</b> | <b>Information Concerning Insurance Contract Coverage, Fees, and Commissions</b> Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|---------------|---|

**1** Coverage Information:

**(a)** Name of insurance carrier

**STANDARD INSURANCE COMPANY**

| <b>(b)</b> EIN    | <b>(c)</b> NAIC code | <b>(d)</b> Contract or identification number | <b>(e)</b> Approximate number of persons covered at end of policy or contract year | Policy or contract year |                   |
|-------------------|----------------------|--|--|-------------------------|-------------------|
|                   |                      |  |  | <b>(f)</b> From         | <b>(g)</b> To     |
| <b>93-0242990</b> | <b>69019</b>         | <b>805553</b>                                | <b>128</b>   | <b>01/01/2014</b>       | <b>12/31/2014</b> |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|   |                                      |
|---|--------------------------------------|
| <b>(a)</b> Total amount of commissions paid | <b>(b)</b> Total amount of fees paid |
| <b>0</b>                                    | <b>0</b>                             |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|--|---------------------------------|--------------------|------------------------------|
|  | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|  |                                 |                    |                              |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**4** Current value of plan's interest under this contract in the general account at year end ..... **4** 384304**5** Current value of plan's interest under this contract in separate accounts at year end ..... **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶ N/A**b** Premiums paid to carrier ..... **6b****c** Premiums due but unpaid at the end of the year ..... **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. .... **6d**

Specify nature of costs ▶

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☒ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year ..... **7b** 394695**c** Additions: (1) Contributions deposited during the year ..... **7c(1)** 1899(2) Dividends and credits ..... **7c(2)**(3) Interest credited during the year ..... **7c(3)** 8034(4) Transferred from separate account ..... **7c(4)**(5) Other (specify below) ..... **7c(5)** 615

▶ TRANSFER FROM TRUST;

(6) Total additions ..... **7c(6)** 10548**d** Total of balance and additions (add lines **7b** and **7c(6)**). .... **7d** 405243**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year ..... **7e(1)** 10324(2) Administration charge made by carrier ..... **7e(2)** 142(3) Transferred to separate account ..... **7e(3)**(4) Other (specify below) ..... **7e(4)** 10473

▶ LOAN ISSUES 189; TRANSFER TO TRUST 10,284;

(5) Total deductions ..... **7e(5)** 20939**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**) ..... **7f** 384304

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
 **b** ☐ Dental     
 **c** ☐ Vision     
 **d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
 **f** ☐ Long-term disability     
 **g** ☐ Supplemental unemployment     
 **h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
 **j** ☐ HMO contract     
 **k** ☐ PPO contract     
 **l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|   |                 |                 |  |
|---|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received.....   | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid.....   | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve .....   | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)).....   |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid.....   | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves.....  | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)) .....   |                 | <b>9b(3)</b>    |  |
| (4) Claims charged .....  |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --   |                 |                 |  |
| (A) Commissions .....   | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees.....   | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs .....  | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses.....   | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes .....   | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies.....   | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges .....   | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention .....   |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)..... |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                               |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves .....  |                 | <b>9d(2)</b>    |  |
| (3) Other reserves.....   |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....  |                 | <b>9e</b>       |  |

**10** Nonexperience-rated contracts:

|  |            |  |
|--|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier .....  | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount..... | <b>10b</b> |  |

Specify nature of costs ▶

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|   |  |  |
|---|--|--|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|   |  | <b>2014</b>                                    |
|   |  | <b>This Form is Open to Public Inspection.</b> |

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|  |  |            |
|--|--|------------|
| <b>A</b> Name of plan<br><u>SECURITY STATE BANK RETIREMENT AND 401(K) SAVINGS PLAN AND TRUST</u> | <b>B</b> Three-digit plan number (PN) <b>►</b>                     | <u>001</u> |
|  |  |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SECURITY STATE BANK</u>      | <b>D</b> Employer Identification Number (EIN)<br><u>91-2011590</u> |            |

|               |  |
|---------------|--|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--|

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

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

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

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

|  |
|--|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation<br><u>STANCORP FINANCIAL GROUP</u> |
|--|

93-1253576

|  |
|--|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation |
|--|

|   |
|---|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|---|

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

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

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

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

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

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

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

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

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

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

STANCORP FINANCIAL GROUP

93-1253576

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---|--|--|--|---|--|
| 12 15 18 19 50 60      | NONE  | 38656  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  | 5201  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>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)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>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"/>                                     |

**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)

| <b>(b)</b><br>Service<br>Code(s) | <b>(c)</b><br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | <b>(d)</b><br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | <b>(e)</b><br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | <b>(f)</b><br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | <b>(g)</b><br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | <b>(h)</b><br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>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>(b)</b><br>Service<br>Code(s) | <b>(c)</b><br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | <b>(d)</b><br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | <b>(e)</b><br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | <b>(f)</b><br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | <b>(g)</b><br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | <b>(h)</b><br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>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>(b)</b><br>Service<br>Code(s) | <b>(c)</b><br>Relationship to<br>employer, employee<br>organization, or<br>person known to be<br>a party-in-interest | <b>(d)</b><br>Enter direct<br>compensation paid<br>by the plan. If none,<br>enter -0-. | <b>(e)</b><br>Did service provider<br>receive indirect<br>compensation? (sources<br>other than plan or plan<br>sponsor) | <b>(f)</b><br>Did indirect compensation<br>include eligible indirect<br>compensation, for which the<br>plan received the required<br>disclosures? | <b>(g)</b><br>Enter total indirect<br>compensation received by<br>service provider excluding<br>eligible indirect<br>compensation for which you<br>answered "Yes" to element<br>(f). If none, enter -0-. | <b>(h)</b><br>Did the service<br>provider give you a<br>formula instead of<br>an amount or<br>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.

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---|---|---|
| STANCORP FINANCIAL GROUP                                | 19 60                                   | 5201                                      |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|--|
| RELIANCE TRUST COMPANY<br><br>58-1428634                            | SUBTA PAID TO SFG  |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---|---|---|
|   |   |   |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|--|
|   |  |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---|---|---|
|   |   |   |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|--|
|   |  |

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

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

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

**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 D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><hr/> <b>2014</b><br><br><hr/> <b>This Form is Open to Public Inspection.</b> |
|---|--|--|

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|  |  |
|--|--|
| <b>A</b> Name of plan<br><u>SECURITY STATE BANK RETIREMENT AND 401(K) SAVINGS PLAN AND TRUST</u>   | <b>B</b> Three-digit plan number (PN) <b>►</b> <u>001</u>          |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><u>SECURITY STATE BANK</u> | <b>D</b> Employer Identification Number (EIN)<br><u>91-2011590</u> |

|               |  |
|---------------|--|
| <b>Part I</b> | <b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b><br>(Complete as many entries as needed to report all interests in DFEs) |
|---------------|--|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: RELiance ADVISORY TRUST PORTFOLIOS

**b** Name of sponsor of entity listed in (a): RELiance TRUST COMPANY

|                                       |                               |   |
|---------------------------------------|-------------------------------|---|
| <b>c</b> EIN-PN <u>46-6634600-001</u> | <b>d</b> Entity code <u>C</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>10400754</u> |
|---------------------------------------|-------------------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |   |
|-----------------|----------------------|---|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |   |
|-----------------|----------------------|---|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |   |
|-----------------|----------------------|---|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |   |
|-----------------|----------------------|---|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |   |
|-----------------|----------------------|---|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

|                 |                      |   |
|-----------------|----------------------|---|
| <b>c</b> EIN-PN | <b>d</b> Entity code | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|-----------------|----------------------|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)



**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|  |  |  |
|--|--|--|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection</b> |
|--|--|--|

|  |  |            |
|--|--|------------|
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u> |  |            |
| <b>A</b> Name of plan<br><u>SECURITY STATE BANK RETIREMENT AND 401(K) SAVINGS PLAN AND TRUST</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<br><u>SECURITY STATE BANK</u>              | <b>D</b> Employer Identification Number (EIN)<br><u>91-2011590</u> |            |

| Part I  | Asset and Liability Statement |                              |                        |
|---|-------------------------------|------------------------------|------------------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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. |                               |                              |                        |
|   | <b>Assets</b>                 | <b>(a) Beginning of Year</b> | <b>(b) End of Year</b> |
| <b>a</b> Total noninterest-bearing cash .....   | <b>1a</b>                     |                              |                        |
| <b>b</b> Receivables (less allowance for doubtful accounts):  |                               |                              |                        |
| (1) Employer contributions.....   | <b>1b(1)</b>                  |                              |                        |
| (2) Participant contributions.....  | <b>1b(2)</b>                  | 9697                         | 8783                   |
| (3) Other.....  | <b>1b(3)</b>                  |                              |                        |
| <b>c</b> General investments:   |                               |                              |                        |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit).....  | <b>1c(1)</b>                  | 0                            |                        |
| (2) U.S. Government securities .....  | <b>1c(2)</b>                  |                              |                        |
| (3) Corporate debt instruments (other than employer securities):  |                               |                              |                        |
| (A) Preferred .....   | <b>1c(3)(A)</b>               |                              |                        |
| (B) All other.....  | <b>1c(3)(B)</b>               |                              |                        |
| (4) Corporate stocks (other than employer securities):  |                               |                              |                        |
| (A) Preferred .....   | <b>1c(4)(A)</b>               |                              |                        |
| (B) Common.....   | <b>1c(4)(B)</b>               |                              |                        |
| (5) Partnership/joint venture interests .....   | <b>1c(5)</b>                  |                              |                        |
| (6) Real estate (other than employer real property).....  | <b>1c(6)</b>                  |                              |                        |
| (7) Loans (other than to participants) .....  | <b>1c(7)</b>                  |                              |                        |
| (8) Participant loans.....  | <b>1c(8)</b>                  | 63020                        | 66684                  |
| (9) Value of interest in common/collective trusts .....   | <b>1c(9)</b>                  | 10389745                     | 10400754               |
| (10) Value of interest in pooled separate accounts .....  | <b>1c(10)</b>                 |                              |                        |
| (11) Value of interest in master trust investment accounts .....  | <b>1c(11)</b>                 |                              |                        |
| (12) Value of interest in 103-12 investment entities.....   | <b>1c(12)</b>                 |                              |                        |
| (13) Value of interest in registered investment companies (e.g., mutual funds).....   | <b>1c(13)</b>                 | 236320                       | 120782                 |
| (14) Value of funds held in insurance company general account (unallocated contracts).....  | <b>1c(14)</b>                 | 394695                       | 384304                 |
| (15) Other.....   | <b>1c(15)</b>                 |                              |                        |

| <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>    | 11093477              | 10981307        |

**Liabilities**

|   |           |   |   |
|---|-----------|---|---|
| <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 |

**Net Assets**

|   |           |          |          |
|---|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 11093477 | 10981307 |
|---|-----------|----------|----------|

**Part II Income and Expense Statement**

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

**Income**

|  |                 | (a) Amount | (b) Total |
|--|-----------------|------------|-----------|
| <b>a Contributions:</b>  |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....  | <b>2a(1)(A)</b> |            |           |
| <b>(B)</b> Participants .....  | <b>2a(1)(B)</b> | 263618     |           |
| <b>(C)</b> Others (including rollovers) .....  | <b>2a(1)(C)</b> | 29719      |           |
| (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>    |            | 293337    |
| <b>b Earnings on investments:</b>  |                 |            |           |
| (1) Interest:  |                 |            |           |
| <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> | 2097       |           |
| <b>(F)</b> Other .....   | <b>2b(1)(F)</b> | 9137       |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 11234     |
| (2) Dividends: <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> |            |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 0         |
| (3) Rents .....  | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <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> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <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> |            | 0         |

|  |        | (a) Amount | (b) Total |
|--|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts.....                              | 2b(6)  |            | 641859    |
| (7) Net investment gain (loss) from pooled separate accounts.....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts.....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities.....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 19362     |
| c Other income.....  | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 965792    |

**Expenses**

|   |       |         |         |
|---|-------|---------|---------|
| e Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers.....      | 2e(1) | 1039307 |         |
| (2) To insurance carriers for the provision of benefits.....                        | 2e(2) |         |         |
| (3) Other.....  | 2e(3) |         |         |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                        | 2e(4) |         | 1039307 |
| f Corrective distributions (see instructions).....                                  | 2f    |         |         |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |         |
| h Interest expense.....   | 2h    |         |         |
| i Administrative expenses: (1) Professional fees.....                               | 2i(1) |         |         |
| (2) Contract administrator fees.....  | 2i(2) | 38655   |         |
| (3) Investment advisory and management fees.....                                    | 2i(3) |         |         |
| (4) Other.....  | 2i(4) |         |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |         | 38655   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 1077962 |

**Net Income and Reconciliation**

|   |       |  |         |
|---|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | -112170 |
| l Transfers of assets:                                  |       |  |         |
| (1) To this plan.....                                   | 2l(1) |  |         |
| (2) From this plan.....                                 | 2l(2) |  |         |

**Part III Accountant's Opinion**

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

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

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: CLARK NUBER P.S.

(2) EIN: 91-1194016

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, 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.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

**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.).....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|   | Yes | No | Amount  |
|---|-----|----|---------|
| <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.) .....  |     | X  |         |
| <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.) .....                               |     | X  |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....  | X   |    | 3500000 |
| <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? .....   |     | X  |         |
| <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? .....  |     | X  |         |
| <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? .....  |     | X  |         |
| <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.) .....  | X   |    |         |
| <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.) ..... |     | X  |         |
| <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? .....   |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....  |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....  |     | X  |         |
| <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. ....                                      |     |    |         |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. .... ☐ Yes ☒ No Amount:

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

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

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ..... ☐ Yes ☐ No ☐ Not determined

## Part V Trust Information (optional)

|                         |                       |
|-------------------------|-----------------------|
| <b>6a</b> Name of trust | <b>6b</b> Trust's EIN |
|                         |                       |

|   |  |  |
|---|--|--|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---|--|--|

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|  |  |
|--|--|
| <b>A</b> Name of plan<br><u>SECURITY STATE BANK RETIREMENT AND 401(K) SAVINGS PLAN AND TRUST</u> | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SECURITY STATE BANK</u>      | <b>D</b> Employer Identification Number (EIN)<br><u>91-2011590</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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):<br><br>EIN(s): <u>58-1428634</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) |
|----------------|--|

|   |                              |                             |                              |
|---|------------------------------|-----------------------------|------------------------------|
| <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 _____<br><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> |
|-----------------|-------------------|

|  |                                   |                                   |                               |                             |
|--|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <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 |
|--|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |   |
|----------------|---|
| <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. |
|----------------|---|

|  |                              |                             |
|--|------------------------------|-----------------------------|
| <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 participants on whose behalf no contributions were made by an employer as an employer of the participant for:

|  |            |  |
|--|------------|--|
| <b>a</b> The current year .....  | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <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): \_\_\_\_\_



**SECURITY STATE BANK RETIREMENT  
AND 401(k) SAVINGS PLAN AND TRUST**

Financial Statements

For the Year Ended December 31, 2014

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## **Independent Auditor's Report**

### **To the Trustees**

**Security State Bank Retirement and 401(k) Savings Plan and Trust  
Centralia, Washington**

### **REPORT ON THE FINANCIAL STATEMENTS**

We were engaged to audit the accompanying financial statements of Security State Bank Retirement and 401(k) Savings Plan and Trust (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### **Basis for Disclaimer of Opinion**

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2014 and 2013 and for the year ended December 31, 2014, that the information provided to the plan administrator by the custodian is complete and accurate.

### **Disclaimer of Opinion**

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.



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**Other Matter**

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, as listed in the accompanying table of contents, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplementary information.

**REPORT ON FORM AND CONTENT IN COMPLIANCE WITH DOL RULES AND REGULATIONS**

The form and content of the information included in the financial statements and supplementary information, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*Clark Nuber, PS*

Certified Public Accountants  
October 6, 2015

**SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST**

**Statements of Net Assets Available for Benefits  
December 31, 2014 and 2013**

---

|  | <u>2014</u>                 | <u>2013</u>                 |
|--|-----------------------------|-----------------------------|
| <b>Assets:</b>                           |                             |                             |
| Investments, at fair value-              |                             |                             |
| Collective trust funds                   | \$ 10,400,754               | \$ 10,389,745               |
| Mutual fund                              | 120,782                     | 236,320                     |
| Guaranteed interest contract             | <u>384,304</u>              | <u>394,695</u>              |
| Total investments, at fair value         | 10,905,840                  | 11,020,760                  |
| Receivables-                             |                             |                             |
| Notes receivable from participants       | 66,684                      | 63,020                      |
| Employee contributions receivable        | <u>8,783</u>                | <u>9,697</u>                |
| Total receivables                        | <u>75,467</u>               | <u>72,717</u>               |
| <b>Net Assets Available for Benefits</b> | <b><u>\$ 10,981,307</u></b> | <b><u>\$ 11,093,477</u></b> |

See accompanying notes.

## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Statement of Changes in Net Assets Available for Benefits For the Year Ended December 31, 2014

---

|  |                             |
|--|-----------------------------|
| <b>Additions to Net Assets:</b>                          |                             |
| Contributions-   |                             |
| Employee deferrals                                       | \$ 263,618                  |
| Employee rollovers                                       | <u>29,719</u>               |
| Total contributions                                      | 293,337                     |
| Investment income-                                       |                             |
| Net appreciation in fair value of investments            | 661,221                     |
| Interest   | <u>11,234</u>               |
| Net investment income                                    | <u>672,455</u>              |
| <b>Total Additions to Net Assets</b>                     | <b>965,792</b>              |
| <b>Deductions From Net Assets:</b>                       |                             |
| Benefits paid to participants                            | 1,039,307                   |
| Administrative expenses                                  | <u>38,655</u>               |
| <b>Total Deductions From Net Assets</b>                  | <b><u>1,077,962</u></b>     |
| <b>Net Decrease in Net Assets Available for Benefits</b> | <b>(112,170)</b>            |
| <b>Net Assets Available for Benefits:</b>                |                             |
| Beginning of year  | <u>11,093,477</u>           |
| <b>End of Year</b>                                       | <b><u>\$ 10,981,307</u></b> |

See accompanying notes.

## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Notes to Financial Statements For the Year Ended December 31, 2014

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#### Note 1 - Plan Description

The following description of the Security State Bank Retirement and 401(k) Savings Plan and Trust (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

**General** - The Plan is a defined contribution plan covering all eligible employees of Security State Bank and Security State Mortgage Company (collectively, the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

**Eligibility** - Employees are eligible to participate in the Plan's 401(k) provisions on the first day of the calendar quarter that coincides with or immediately follows their date of hire or, if later, attainment of the age of 21.

Employees shall become a participant in the discretionary employer matching and profit-sharing provisions of the Plan following the later of the date on which the employee completes one year of service (defined as 12 months and at least 1,000 hours) or attainment of the age of 21.

**Contributions** - Each year, eligible participants may contribute their pretax annual compensation up to the maximum amount allowed by the Internal Revenue Code (IRC). The Plan allows participants to make catch-up contributions if they have attained age 50 before the end of the plan year. Participants may also contribute amounts representing distributions from other eligible plans.

The Company may elect to make matching contributions and/or profit-sharing contributions at the discretion of the Board of Directors. Contributions are subject to certain regulatory limitations. There were no matching or profit-sharing contributions for the year ended December 31, 2014.

**Participant Accounts** - Participants direct the investment of their contributions into various investment options offered by the Plan. Participants can choose from various collective trust funds, a mutual fund and a guaranteed interest contract. Each participant's account is credited with the participant's contributions, employer matching contributions, proportionate share of any profit sharing contributions, and allocations of plan earnings or losses. Additionally, participants are charged with an allocation of administrative expenses. All contributions and account balances are directed to available investment options by the participants.

**Notes Receivable From Participants** - The Plan allows participants to borrow from their account a minimum of \$1,000 up to a maximum of 50% of their vested account balance or \$50,000, whichever is less. Loans must be repaid pursuant to a level, fixed repayment schedule not to exceed five years, unless for a residential mortgage. Loans are secured by the balance in the participant's account and bear interest at a reasonable fixed rate based on the prime rate of interest as reported in the Wall Street Journal as of the date the loan documents are prepared. Principal and interest are paid through automatic payroll deductions. Participants may not have more than two loans outstanding at any given time.

**Payment of Benefits** - Vested benefits are payable in one lump-sum distribution or installment payments at the election of the participant upon retirement, death, disability, or termination. Participants who have attained age 59½ may elect to receive a distribution of all or any portion of their account balance to termination of employment (in-service withdrawals). The Plan also allows for hardship withdrawals. The Plan provides that vested balances that do not exceed \$1,000 may be distributed in a lump-sum amount without the participant's consent.

## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Notes to Financial Statements For the Year Ended December 31, 2014

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#### Note 1 - Continued

**Forfeitures** - Forfeitures are used first to pay administrative expenses. Any remaining profit sharing forfeitures will be reallocated to remaining participants. Any remaining matching forfeitures will be used to reduce future Company matching contributions. No forfeitures were used to pay administrative expenses or to offset Company contributions during 2014. At December 31, 2014 and 2013, forfeited nonvested accounts totaled \$0.

**Vesting** - All contributions plus earnings by the participants are fully vested at the time of contribution. Employer matching and profit sharing contributions are vested using the following percentages:

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

#### Note 2 - Summary of Accounting Policies

**Basis of Accounting** - The financial statements of the Plan have been prepared on the accrual basis of accounting. Investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in a fully benefit-responsive investment contract (guaranteed interest contract) which is recorded at contract value. Reporting the guaranteed interest contract at fair value would not have a material effect on the Plan's financial statements as interest rates are periodically adjusted to market. Accordingly, contract value, which represents accumulated cash contributions plus interest, less any withdrawals, approximates fair value.

**Use of Estimates** - The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities with disclosure on contingent assets and liabilities at the date of the financial statements and reported amounts of additions to or deductions from Plan assets during the reporting period. Actual results could differ from those estimates.

**Investment Valuation and Income Recognition** - The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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



## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Notes to Financial Statements For the Year Ended December 31, 2014

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#### Note 2 - Continued

**Notes Receivable From Participants** - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

**Benefits Paid to Participants** - Benefits paid to participants are recorded when paid. As of December 31, 2014 and 2013, no amounts had been requested for payment by participants but not yet paid.

**Administrative Expenses** - Several of the investment options are subject to investment and administrative fees based on a percentage of invested assets, as disclosed in the funds' prospectuses. All such fees are charged directly against the respective fund's investment performance and thus are not separately disclosed in the accompanying financial statements. The Plan pays for certain investment advisory and record-keeping services. Substantially all other administrative expenses related to the Plan are paid by the Company.

**Subsequent Events** - The Plan's management has evaluated subsequent events through October 6, 2015, the date on which the Plan's financial statements were available to be issued.

#### Note 3 - Fair Value Measurements

U.S. GAAP 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) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under this guidance are described as follows:

Level 1 - Unadjusted quoted prices available in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or

Level 3 - Unobservable inputs that are significant to the fair value measurement.

A financial instrument's level within the fair value hierarchy is based upon 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.

## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Notes to Financial Statements For the Year Ended December 31, 2014

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#### Note 3 - Continued

The following is a description of valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2014 and 2013.

Collective Trust Funds - Units held in collective trusts are valued using the net asset value (NAV) of the fund. The NAV is based on the fair value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of units outstanding. The NAV of a collective investment fund is calculated based on a compilation of primarily observable market information. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and redemption activity in the fund.

Mutual Fund - Valued at daily closing price as reported by the fund. The mutual fund held by the Plan is an open-end mutual fund that is registered with the Securities and Exchange Commission. This fund is required to publish the daily NAV and transact at that price. The mutual fund held by the Plan is deemed to be actively traded.

Guaranteed Interest Contract - Valued at contract value which is the aggregation of contributions, plus interest, less any withdrawals. Contract value approximates a discounted cash flow value calculated using an appropriate risk-adjusted market discount rate which correlates closely with the Plan's guaranteed interest contract's historical crediting rates. Fair value is determined annually for financial statement reporting purposes since participants normally transact at contract value. In determining the reasonableness of the methodology, the Plan's management evaluates a variety of factors including review of historical returns, market conditions, and overall credit ratings. Certain unobservable inputs are determined through review of contract terms (e.g. historical crediting rates) while others are substantiated utilizing available market data (e.g. Treasury yields).

The valuation methodologies used by the Plan 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's management 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.

# SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

## Notes to Financial Statements For the Year Ended December 31, 2014

### Note 3 - Continued

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2014 and 2013:

| Fair Value Measurements as of December 31, 2014 |                   |                      |                   |                      |
|---|-------------------|----------------------|-------------------|----------------------|
|   | Level 1           | Level 2              | Level 3           | Total                |
| Collective trust funds-                         |                   |                      |                   |                      |
| Asset allocation                                | \$ -              | \$ 6,246,269         | \$ -              | \$ 6,246,269         |
| Fixed income                                    |                   | 1,463,193            |                   | 1,463,193            |
| Large cap                                       |                   | 1,549,196            |                   | 1,549,196            |
| Small/mid cap                                   |                   | 821,945              |                   | 821,945              |
| International equity                            |                   | 320,151              |                   | 320,151              |
| Total collective trust funds                    |                   | 10,400,754           |                   | 10,400,754           |
| Mutual fund - balanced                          | 120,782           |                      |                   | 120,782              |
| Guaranteed interest contract                    |                   |                      | 384,304           | 384,304              |
|   | <u>\$ 120,782</u> | <u>\$ 10,400,754</u> | <u>\$ 384,304</u> | <u>\$ 10,905,840</u> |

| Fair Value Measurements as of December 31, 2013 |                   |                      |                   |                      |
|---|-------------------|----------------------|-------------------|----------------------|
|   | Level 1           | Level 2              | Level 3           | Total                |
| Collective trust funds-                         |                   |                      |                   |                      |
| Asset allocation                                | \$ -              | \$ 5,913,479         | \$ -              | \$ 5,913,479         |
| Fixed income                                    |                   | 1,617,441            |                   | 1,617,441            |
| Large cap                                       |                   | 1,571,624            |                   | 1,571,624            |
| Small/mid cap                                   |                   | 885,878              |                   | 885,878              |
| International equity                            |                   | 401,323              |                   | 401,323              |
| Total collective trust funds                    |                   | 10,389,745           |                   | 10,389,745           |
| Mutual fund - balanced                          | 236,320           |                      |                   | 236,320              |
| Guaranteed interest contract                    |                   |                      | 394,695           | 394,695              |
|   | <u>\$ 236,320</u> | <u>\$ 10,389,745</u> | <u>\$ 394,695</u> | <u>\$ 11,020,760</u> |

# SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

## Notes to Financial Statements For the Year Ended December 31, 2014

### Note 3 - Continued

A reconciliation of the beginning and ending balances for fair value measurements made using significant unobservable inputs (Level 3) is as follows for the year ended December 31, 2014:

|  | Guaranteed<br>Interest<br>Contract |
|--|------------------------------------|
| Balance as of January 1, 2014          | \$ 394,695                         |
| Interest income                        | 8,034                              |
| Purchases                              | 2,514                              |
| Sales                                  | (20,939)                           |
| <b>Balance as of December 31, 2014</b> | <b><u>\$ 384,304</u></b>           |

The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs:

|                              | Valuation<br>Technique  | Unobservable<br>Inputs                    | December 31, 2014<br>Range (Average) | December 31, 2013<br>Range (Average) |
|------------------------------|-------------------------|---|--------------------------------------|--------------------------------------|
| Guaranteed interest contract | Discounted<br>cash flow | Risk-adjusted<br>discount rate<br>applied | 2.18% - 2.35% (2.27%)                | 1.00% - 2.55% (2.18%)                |

The following sets forth additional disclosures of the Plan's primary investments, whose fair value is estimated using NAV per share (or its equivalent) at December 31, 2014 and 2013:

|                                   | 2014<br>Fair Value | 2013<br>Fair Value | Unfunded<br>Commitment | Redemption<br>Frequency | Redemption<br>Notice Period |
|-----------------------------------|--------------------|--------------------|------------------------|-------------------------|-----------------------------|
| Common collective trust funds-    |                    |                    |                        |                         |                             |
| Reliance Advisory Trust INV40 (a) | \$ 2,645,418       | \$ 2,575,005       | None                   | Daily                   | None                        |
| Reliance Advisory Trust INVFI (b) | 1,463,193          | 1,617,441          | None                   | Daily                   | None                        |
| Reliance Advisory Trust INVLC (c) | 1,549,196          | 1,571,624          | None                   | Daily                   | None                        |
| Reliance Advisory Trust INV80 (d) | 838,577            | 1,070,326          | None                   | Daily                   | None                        |
| Reliance Advisory Trust INVSM (e) | 821,945            | 885,878            | None                   | Daily                   | None                        |
| Reliance Advisory Trust INV60 (f) | 1,052,241          | 791,721            | None                   | Daily                   | None                        |
| Reliance Advisory Trust INV20 (g) | 780,471            | 709,925            | None                   | Daily                   | None                        |

## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Notes to Financial Statements For the Year Ended December 31, 2014

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#### Note 3 - Continued

- (a) Advisory Account 40 (Reliance Advisory Trust INV40) - The portfolio seeks to generate income while maintaining the potential for capital growth through moderate equity exposure. The portfolio has a target exposure of 60% in fixed income securities over time with the remaining funds invested in equity securities.
- (b) Fixed Income Class (Reliance Advisory Trust INVFI) - The portfolio seeks to provide current income through investments made in mutual funds comprised predominately of fixed income instruments of the U.S. government and U.S. corporations.
- (c) Large Cap Equity Class (Reliance Advisory Trust INVLC) - The portfolio seeks to provide capital appreciation through investments made in mutual funds comprised predominately of stocks of large capitalization U.S. corporations.
- (d) Advisory Account 80 (Reliance Advisory Trust INV80) - The portfolio seeks aggressive growth of capital as a primary objective while maintaining a minor allocation to fixed income securities to temper overall portfolio volatility. The portfolio has a target exposure of 80% in equity securities over time with the remaining funds invested in fixed income securities.
- (e) Small/Mid Cap Equity Class (Reliance Advisory Trust INVSM) - The portfolio seeks to provide capital appreciation through investments made in mutual funds comprised predominately of stocks of small and mid-capitalization U.S. corporations.
- (f) Advisory Account 60 (Reliance Advisory Trust INV60) - The portfolio seeks a conservative approach to capital growth through a balanced allocation to equity and fixed income securities. The portfolio has a target exposure of 60% in equity securities over time with the remaining funds invested in fixed income securities.
- (g) Advisory Account 20 (Reliance Advisory Trust INV20) - The portfolio seeks to maximize income while allowing for partial capital growth through modest equity exposure. The portfolio has a target exposure of 80% in fixed income securities over time with the remaining portfolio invested in equity securities.

The Plan's investments (including gains and losses on investments purchased, sold, and held during the year) appreciated in value as follows for the year ended December 31, 2014:

|                               |                          |
|-------------------------------|--------------------------|
| Common collective trust funds | \$ 641,859               |
| Mutual fund                   | <u>19,362</u>            |
|                               | <u><u>\$ 661,221</u></u> |

## SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST

### Notes to Financial Statements For the Year Ended December 31, 2014

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#### Note 4 - Investments

Investments held by the Plan as of December 31, 2014 and 2013, that represent 5% or more of the Plan's net assets are summarized below:

|                               | 2014         | 2013         |
|-------------------------------|--------------|--------------|
| Reliance Advisory Trust INV40 | \$ 2,645,418 | \$ 2,575,005 |
| Reliance Advisory Trust INVLC | 1,549,196    | 1,571,624    |
| Reliance Advisory Trust INVFI | 1,463,193    | 1,617,441    |
| Reliance Advisory Trust INV60 | 1,052,241    | 791,721      |
| Reliance Advisory Trust INV80 | 838,577      | 1,070,326    |
| Reliance Advisory Trust INVSM | 821,945      | 885,878      |
| Reliance Advisory Trust INV20 | 780,471      | 709,925      |

#### Note 5 - Investment Contract With Insurance Company

During 2013, the Plan entered into a guaranteed interest contract with The Standard Insurance Company (The Standard). The Standard maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract value for the investment contract is based on the contract value as reported to the Plan by The Standard. Contract value represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The contract is included in the statements of net assets available for benefits at contract value, which approximates fair value. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against contract value for credit risk of the fund issuer or otherwise. The crediting interest rate is based on a formula set by The Standard and is reviewed on a quarterly basis for resetting. The effective annual yield on the contract will never be less than 1.0%.

Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. Therefore, the guaranteed interest contract is considered to be fully benefit-responsive. Certain events limit the ability of the Plan to transact at contract value with The Standard. Such events include termination of the contract, spin-offs, divestitures, layoffs, corporate relocation, partial or total plan termination, retirement incentive programs, and the liberalization of plan withdrawal or transfer rules. Upon occurrence of any of these events, a market value adjustment may apply. The Company does not believe the occurrence of these events is probable.

The average yield on the guaranteed interest contract account for the year ended December 31, 2014 was 2.35%. The crediting interest rate was 2.25% and 2.55% as of December 31, 2014 and 2013, respectively.

## **SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST**

### **Notes to Financial Statements For the Year Ended December 31, 2014**

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#### **Note 6 - Information Certified by Plan Custodian**

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulation for Reporting and Disclosure under ERISA. Accordingly, Reliance Trust Company, the custodian, has certified that the following information included in the accompanying financial statements and supplementary information is complete and accurate:

- Fair value and contract value, if applicable, of investments as of December 31, 2014 and 2013;
- Investment income earned for the year ended December 31, 2014; and
- Investment transactions for the year ended December 31, 2014.

#### **Note 7 - Federal Income Tax Status**

The Plan has received a determination letter from the Internal Revenue Service (IRS) dated July 8, 2010, stating that the Plan and related trust are designed in accordance with the applicable sections of the IRC. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The Plan has been amended since receiving the determination letter, however, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable provisions of the IRC.

The Plan is subject to audits by the IRS for certain tax periods based on applicable laws and regulations; however, there are currently no audits for any tax periods in progress.

#### **Note 8 - Plan Termination**

Although it has not expressed any intent to do so, the Company may terminate the Plan at any time with respect to any or all participants by the adoption of an appropriate resolution by its owners. In the event of a complete termination of the Plan, the rights of all participants in their account balances shall, as of the date of termination, be fully vested and not subject to forfeiture.

#### **Note 9 - Party-in-Interest Transactions**

The Plan's investments include collective trust funds that are managed by Reliance Trust Company. Reliance is the custodian as defined by the Plan and, therefore, transactions involving the Plan's collective trust funds qualify as party-in-interest transactions. The Standard serves as the record-keeper and third-party administrator for the Plan. Further, the Plan invests in a guaranteed interest contract issued by The Standard. As a result, fees paid to The Standard qualify as party-in-interest transactions. Fees paid by the Plan to The Standard were \$38,656 for the year ended December 31, 2014.

#### **Note 10 - 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 amount reported in the statements of net assets available for benefits.

## **SUPPLEMENTARY INFORMATION**



**SECURITY STATE BANK RETIREMENT AND 401(k) SAVINGS PLAN AND TRUST**

**Attachment to Form 5500, Schedule H, Line 4(i)**  
**Schedule of Assets Held as of December 31, 2014**

**Employer:** Security State Bank

**EIN:** 91-2011590

**Plan No.:** 001

| (a)          | (b) Identity of Issuer, Borrower, Lessor, or Similar Party | (c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value | (d) Cost | (e) Current Value           |
|--------------|--|--|----------|-----------------------------|
| *            | Reliance Advisory Trust INV40                              | Collective Trust Funds   | **       | \$ 2,645,418                |
| *            | Reliance Advisory Trust INVLC                              | Collective Trust Funds   | **       | 1,549,196                   |
| *            | Reliance Advisory Trust INVFI                              | Collective Trust Funds   | **       | 1,463,193                   |
| *            | Reliance Advisory Trust INV60                              | Collective Trust Funds   | **       | 1,052,241                   |
| *            | Reliance Advisory Trust INV80                              | Collective Trust Funds   | **       | 838,577                     |
| *            | Reliance Advisory Trust INVSM                              | Collective Trust Funds   | **       | 821,945                     |
| *            | Reliance Advisory Trust INV20                              | Collective Trust Funds   | **       | 780,471                     |
| *            | Reliance Advisory Trust INV70                              | Collective Trust Funds   | **       | 459,385                     |
| *            | Standard Stable Asset Fund A                               | Guaranteed interest contract   | **       | 384,304                     |
| *            | Reliance Advisory Trust INVIE                              | Collective Trust Funds   | **       | 320,151                     |
| *            | Reliance Advisory Trust INV30                              | Collective Trust Funds   | **       | 287,104                     |
| *            | Reliance Advisory Trust INV99                              | Collective Trust Funds   | **       | 166,476                     |
| *            | Vanguard Balanced Index                                    | Mutual fund  | **       | 120,782                     |
| *            | Reliance Advisory Trust INV50                              | Collective Trust Funds   | **       | 16,597                      |
| *            | Participant loans  | Rates of 3.25%   | -0-      | 66,684                      |
| <b>Total</b> |  |  |          | <b><u>\$ 10,972,524</u></b> |

\* Party-in-interest as defined by section 3(14) of ERISA.

\*\* Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.

See independent auditor's report.

|   |  |   |
|---|--|---|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 24pt; font-weight: bold;">2014</div><br><br><b>This Form is Open to Public Inspection</b> |
|---|--|---|

|  |   |   |  |
|--|---|---|--|
| <b>Part I Annual Report Identification Information</b>   |   |   |  |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u> |   |   |  |
| <b>A</b>   | This return/report is for:  | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or |  |
|  |   | <input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____   |  |
| <b>B</b>   | This return/report is:  | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;   |  |
|  |   | <input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).  |  |
| <b>C</b>   | If the plan is a collectively-bargained plan, check here. .... <input type="checkbox"/> |   |  |
| <b>D</b>   | Check box if filing under:  | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;   |  |
|  |   | <input type="checkbox"/> special extension (enter description)  |  |

|   |   |           |  |
|---|---|-----------|--|
| <b>Part II Basic Plan Information—enter all requested information</b> |   |           |  |
| <b>1a</b>   | Name of plan  | <b>1b</b> | Three-digit plan number (PN) ▶ <u>001</u>              |
|   | Security State Bank Retirement and 401(k) Savings Plan and Trust  | <b>1c</b> | Effective date of plan <u>01/01/1975</u>               |
| <b>2a</b>   | Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) | <b>2b</b> | Employer Identification Number (EIN) <u>91-2011590</u> |
|   | Security State Bank   | <b>2c</b> | Plan Sponsor's telephone number <u>(360) 330-2790</u>  |
|   | PO Box 1050   | <b>2d</b> | Business code (see instructions) <u>522110</u>         |
|   | Centralia WA 98531  |           |  |
|   | 1930 South Gold Street  |           |  |
|   | Centralia WA 98531  |           |  |

**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.

|  |                                    |                 |  |
|--|------------------------------------|-----------------|--|
| <b>SIGN HERE</b>   |                                    | <u>10/13/15</u> | Stacy Engel  |
|  | Signature of plan administrator    | Date            | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>   |                                    |                 |  |
|  | Signature of employer/plan sponsor | Date            | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>   |                                    |                 |  |
|  | Signature of DFE                   | Date            | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional) |                                    |                 | Preparer's telephone number (optional)                       |
|  |                                    |                 |  |

|  |  |  |
|--|--|--|
| <b>3a</b> Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor<br><br>Security State Bank Retirement Committee<br><br>1930 South Gold Street<br><br>Centralia WA 98531  |  | <b>3b</b> Administrator's EIN<br>91-0957654<br><b>3c</b> Administrator's telephone number<br>(360) 330-2790  |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name  |  | <b>4b</b> EIN<br><br><b>4c</b> PN  |
| <b>5</b> Total number of participants at the beginning of the plan year  |  | <b>5</b> 130   |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).   |  |  |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....   |  | <b>6a(1)</b> 115   |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....  |  | <b>6a(2)</b> 108   |
| <b>b</b> Retired or separated participants receiving benefits .....  |  | <b>6b</b> 0  |
| <b>c</b> Other retired or separated participants entitled to future benefits.....  |  | <b>6c</b> 20   |
| <b>d</b> Subtotal. Add lines 6a(2), 6b, and 6c. ....   |  | <b>6d</b> 128  |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....  |  | <b>6e</b> 0  |
| <b>f</b> Total. Add lines 6d and 6e. ....  |  | <b>6f</b> 128  |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....  |  | <b>6g</b> 107  |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested .....  |  | <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>   |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br><br>2E 2F 2G 2J 2K 2T  |  |  |
| <b>b</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)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor   |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor   |
| <b>10</b> 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><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information - Small Plan)<br>(3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 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 \_\_\_\_\_

**Attachment to 2014 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** Security State Bank Retirement and 401(k) Savings Plan and Trust **EIN:** 21-2011590  
**Plan Sponsor's Name** Security State Bank **PN:** 001

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (d) Cost | (e) Current value |
|-----|---|--|----------|-------------------|
| *   | RELIANCE ADVISORY TRUST                                   | INV99<br>COMMON TRUST FUND   | 0        | 166,476           |
| *   | RELIANCE ADVISORY TRUST                                   | INV80<br>COMMON TRUST FUND   | 0        | 838,577           |
| *   | RELIANCE ADVISORY TRUST                                   | INV60<br>COMMON TRUST FUND   | 0        | 1,052,241         |
| *   | RELIANCE ADVISORY TRUST                                   | INV40<br>COMMON TRUST FUND   | 0        | 2,645,418         |
| *   | RELIANCE ADVISORY TRUST                                   | INVLC<br>COMMON TRUST FUND   | 0        | 1,549,196         |
| *   | RELIANCE ADVISORY TRUST                                   | INVSM<br>COMMON TRUST FUND   | 0        | 821,945           |
| *   | RELIANCE ADVISORY TRUST                                   | INV30<br>COMMON TRUST FUND   | 0        | 287,104           |

**Attachment to 2014 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** Security State Bank 401(k) Savings Plan and Trust  
**Plan Sponsor's Name** Security State Bank

**EIN:** 91-2011590  
**PN:** 001

| (a) | (b) Identity of issue, borrower, lessor, or similar party | (c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value. | (d) Cost | (e) Current value |
|-----|---|--|----------|-------------------|
| *   | RELIANCE ADVISORY TRUST                                   | INVFI<br>COMMON TRUST FUNDS  | 0        | 1,463,193         |
| *   | RELIANCE ADVISORY TRUST                                   | INVIE<br>COMMON TRUST FUNDS  | 0        | 320,151           |
| *   | RELIANCE ADVISORY TRUST                                   | INV20<br>COMMON TRUST FUNDS  | 0        | 780,471           |
| *   | RELIANCE ADVISORY TRUST                                   | INV50<br>COMMON TRUST FUNDS  | 0        | 16,595            |
| *   | RELIANCE ADVISORY TRUST                                   | INV70<br>COMMON TRUST FUNDS  | 0        | 459,385           |
|     | VANGUARD  | BALANCED INDEX<br>MUTUAL FUND  | 0        | 120,782           |
| *   | STANDARD INSURANCE CO.                                    | GROUP ANNUITY CONTRACT<br>STABLE ASSET FUND  | 0        | 384,304           |

Plan Name Security State Bank 401(k) Savings Plan and Trust  
Plan Sponsor's Name Security State Bank

**EIN:** 91-2011590  
**PN:** 001

[illegible]