Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2017

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ___

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 12/01/1959

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
FIRST STATE BANK, GAINESVILLE, TEXAS

801 E CALIFORNIA ST
GAINESVILLE, TX 76240-4276

2b Employer Identification Number (EIN) 75-0270410

2c Plan Sponsor's telephone number 940-665-1711

2d Business code (see instructions) 522110

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.

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2018	BRIAN MCCAIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2018	BRIAN MCCAIN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	

5 Total number of participants at the beginning of the plan year	**5**	236
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	237
a(2) Total number of active participants at the end of the plan year	**6a(2)**	215
b Retired or separated participants receiving benefits	**6b**	3
c Other retired or separated participants entitled to future benefits	**6c**	26
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	244
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**.	**6f**	244
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	236
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	14
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2H 2I 2J 2K 2O 2P 2Q 2T 3I

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[X] Insurance	**(1)**	[X] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

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

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
FIRST STATE BANK, GAINESVILLE, TEXAS

D Employer Identification Number (EIN)
75-0270410

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

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
PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	613953	233	01/01/2017	12/31/2017

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.

(a) Total amount of commissions paid	(b) Total amount of fees paid
633	0

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

WOODBURY FINANCIAL SERVICES

HEATHER BAGWILL
7755 3RD ST N
OAKDALE, MN 55128-5442

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
633	0		3

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** 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	0
5	Current value of plan's interest under this contract in separate accounts at year end	5	0

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

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 ▶ CUSTODIAL GUARANTEED INTEREST CONTRACT

b	Balance at the end of the previous year			7b	323674
c	Additions: (1) Contributions deposited during the year	7c(1)	13987		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	23594		
	(4) Transferred from separate account	7c(4)			
	(5) Other (specify below)	7c(5)	128680		
	▶ LOAN PAYMENT, OUTSIDE INVESTMENT TRANSFER				
	(6) Total additions			7c(6)	166261
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	489935
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	92415		
	(2) Administration charge made by carrier	7e(2)	236		
	(3) Transferred to separate account	7e(3)			
	(4) Other (specify below)	7e(4)	1469		
	▶ LOAN WITHDRAWAL				
	(5) Total deductions			7e(5)	94120
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	395815

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:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
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.			**10b**	

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. ▶

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
FIRST STATE BANK, GAINESVILLE, TEXAS

D Employer Identification Number (EIN)
75-0270410

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions

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
PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	713773	1	01/01/2017	12/31/2017

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.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

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) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** Purpose	

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
	(c) Amount	**(d)** 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**	0
5	Current value of plan's interest under this contract in separate accounts at year end	**5**	1854561

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

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. Specify nature of costs ▶	**6d**	

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**	
c	Additions: (1) Contributions deposited during the year	**7c(1)**			
	(2) Dividends and credits	**7c(2)**			
	(3) Interest credited during the year	**7c(3)**			
	(4) Transferred from separate account	**7c(4)**			
	(5) Other (specify below) ▶	**7c(5)**			
	(6) Total additions			**7c(6)**	
d	Total of balance and additions (add lines **7b** and **7c(6)**).			**7d**	
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	**7e(1)**			
	(2) Administration charge made by carrier	**7e(2)**			
	(3) Transferred to separate account	**7e(3)**			
	(4) Other (specify below) ▶	**7e(4)**			
	(5) Total deductions			**7e(5)**	
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			**7f**	0

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:				
a Premiums: (1) Amount received	**9a(1)**			
(2) Increase (decrease) in amount due but unpaid	**9a(2)**			
(3) Increase (decrease) in unearned premium reserve	**9a(3)**			
(4) Earned (**(1)** + **(2)** - **(3)**)			**9a(4)**	
b Benefit charges (1) Claims paid	**9b(1)**			
(2) Increase (decrease) in claim reserves	**9b(2)**			
(3) Incurred claims (add **(1)** and **(2)**)			**9b(3)**	
(4) Claims charged			**9b(4)**	
c Remainder of premium: (1) Retention charges (on an accrual basis) --				
(A) Commissions	**9c(1)(A)**			
(B) Administrative service or other fees	**9c(1)(B)**			
(C) Other specific acquisition costs	**9c(1)(C)**			
(D) Other expenses	**9c(1)(D)**			
(E) Taxes	**9c(1)(E)**			
(F) Charges for risks or other contingencies	**9c(1)(F)**			
(G) Other retention charges	**9c(1)(G)**			
(H) Total retention			**9c(1)(H)**	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)			**9c(2)**	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement			**9d(1)**	
(2) Claim reserves			**9d(2)**	
(3) Other reserves			**9d(3)**	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line **9c(2)**.)			**9e**	
10 Nonexperience-rated contracts:				
a Total premiums or subscription charges paid to carrier			**10a**	
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.			**10b**	

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. ▶

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2017** **This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
FIRST STATE BANK, GAINESVILLE, TEXAS

D Employer Identification Number (EIN)
75-0270410

Part I Service Provider Information (see instructions)

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).. . . . . [X] 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) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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

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)

WOODBURY FINANCIAL SERVICES

41-0944586

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 55 99	OTHER SERVICES	0	Yes [X] No [ ]	Yes [ ] No [X]	20421	Yes [ ] No [X]

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	3018	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

WILSHIRE ASSOCIATES INCORPORATED

95-2755361

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 72	INVESTMENT ADVISORY	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

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

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

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

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

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

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 (see instructions)	**(c)** Enter amount of indirect compensation
WOODBURY FINANCIAL SERVICES	49 55 99	20421

(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.
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	COMMISSIONS, REFERRAL/SERVICE FEE AND PRORATED INCENTIVE, NOT DEDUCTED FROM PLAN

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
WILSHIRE ASSOCIATES INCORPORATED	27 72	0

(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.
FIRST STATE BANK, GAINESVILLE, TEXA 75-0270410	1 BASIS POINT ANNUALLY ON TOTAL PLAN ASSETS IN WILSHIRE'S 3(21) INVESTMENT FIDUCIARY SERVICE PER CLIENT'S SIGNED AGREEMENT WITH WILSHIRE.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (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

(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

(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

(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

(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

(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)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
FIRST STATE BANK, GAINESVILLE, TEXAS

D Employer Identification Number (EIN)
75-0270410

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

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2010 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-001	C	19162

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2015 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-002	C	141335

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2020 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-003	C	2149596

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2025 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-004	C	1347252

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2030 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-005	C	1610046

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2035 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-006	C	399767

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2040 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

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)
26-6447574-007	C	667570

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2045 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN 26-6447574-008	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 404245

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2050 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN 26-6447574-009	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 285902

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2055 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN 26-6447574-010	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 238917

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR INC CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN 26-6447574-011	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2253

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2060 CIT R4

b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO

c EIN-PN 26-6447574-012	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 60839

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIQUID ASSETS SEP ACCT-R3

b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY

c EIN-PN 42-0127290-024	**d** Entity code P	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1854561

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

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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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
FIRST STATE BANK, GAINESVILLE, TEXAS

D Employer Identification Number (EIN)
75-0270410

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	686877	0
(2) Participant contributions	1b(2)	24176	0
(3) Other	1b(3)	2	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	242787	249413
(9) Value of interest in common/collective trusts	1c(9)	5407281	7326884
(10) Value of interest in pooled separate accounts	1c(10)	1547714	1854561
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	2958671	3731257
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	323674	395815
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	13143100	14338910
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	24334282	27896840
	Liabilities			
g	Benefit claims payable	1g	0	
h	Operating payables	1h	0	
i	Acquisition indebtedness	1i	0	
j	Other liabilities	1j	4611	0
k	Total liabilities (add all amounts in lines 1g through1j)	1k	4611	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	24329671	27896840

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	753927	
	(B) Participants	2a(1)(B)	728853	
	(C) Others (including rollovers)	2a(1)(C)	403844	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1886624
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)	0	
	(D) Loans (other than to participants)	2b(1)(D)	0	
	(E) Participant loans	2b(1)(E)	10452	
	(F) Other	2b(1)(F)	23594	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		34046
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	32911	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		32911
	(3) Rents	2b(3)		0
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)	0	
	(B) Other	2b(5)(B)	1195810	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		1195810

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		915222
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		2136
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		545269
c Other income	2c		511181
d Total income. Add all **income** amounts in column (b) and enter total	2d		5123199
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1553012	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		1553012
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	3018	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		3018
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1556030
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		3567169
l Transfers of assets:			
(1) To this plan	2l(1)		0
(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)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

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

(1) Name: PAYNE AND SMITH, LLC **(2)** EIN: 27-0316262

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:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	0
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.)	4b		X	0

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	0
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	0
e	Was this plan covered by a fidelity bond?	4e	X		8000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
FIRST STATE BANK 401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
FIRST STATE BANK, GAINESVILLE, TEXAS

D Employer Identification Number (EIN)
75-0270410

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 42-0127290

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☒ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☒ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☒ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☒ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that 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): _____

---

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:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

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

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) 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):

FIRST STATE BANK
401(k) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and Supplemental Schedule

December 31, 2017 and 2016

(With Independent Auditor's Report Thereon)

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PAYNE & SMITH, LLC
Certified Public Accountants

Independent Auditor's Report

To the Sponsor
First State Bank of Gainesville, Texas
401(k) Profit Sharing and Employee Stock
Ownership Plan and Trust
Gainesville, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the First State Bank 401(k) Profit Sharing and Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 our audits 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 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 3, which was certified by Principal Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executed investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2017 and 2016, that the information provided to the plan administrator by the trustee 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.

Other Matter

The supplemental Schedule of Assets (Held at End of Year) 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. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

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 supplemental schedule, other than that derived from the information certified by the trustees, 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.

Payne & Smith, LLC

September 27, 2018

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS
AVAILABLE FOR BENEFITS

December 31, 2017 and 2016

	2017	2016
ASSETS		
Investments, at fair value:		
General securities:		
Common/collective trusts	$ 7,326,884	$ 5,407,281
Pooled separate accounts	1,854,561	1,547,714
Mutual funds	3,731,257	2,958,671
Guaranteed interest contract with insurance company	395,815	323,674
Total general securities	13,308,517	10,237,340
Employer securities:		
Red River BanCorp, Inc. Company common stock	13,153,910	11,958,100
Red River BanCorp, Inc. Company notes receivable	1,185,000	1,185,000
Total employer securities	14,338,910	13,143,100
Total investments, at fair value	27,647,427	23,380,440
Receivables:		
Employer contributions	-	686,879
Participants' contributions	-	24,176
Notes receivable from participants	249,413	242,787
Total receivables	249,413	953,842
Total assets	27,896,840	24,334,282
LIABILITIES		
Accrued payables	-	4,611
NET ASSETS AVAILABLE FOR BENEFITS	$ 27,896,840	$ 24,329,671

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

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2017

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Investment income:	
Net appreciation (depreciation) in fair value of investments	$ 2,603,003
Interest income on Red River BanCorp, Inc. notes receivable	59,250
Dividend income	563,870
Net investment income	3,226,123
Interest income on notes receivable from participants	10,452
Contributions:	
Employer	753,927
Participants'	728,853
Rollover	403,844
Total contributions	1,886,624
Total additions	5,123,199
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Benefit payments to participants	1,553,012
Contract administrator fees	3,018
Total deductions	1,556,030
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	3,567,169
NET ASSETS AVAILABLE FOR BENEFITS:	
Beginning of year	24,329,671
End of year	$ 27,896,840

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

1. Description of the Plan

The following description of the First State Bank 401(k) Profit Sharing and Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan. Specifically, it is an employee stock ownership plan with 401(k) provisions that is intended to invest primarily in Red River BanCorp, Inc. (referred to as the Plan Sponsor or Company) common stock and managed investments which are funded by contributions from both the participants and the Plan Sponsor. The Plan was adopted December 1, 1959, and most recently amended effective January 1, 2016, to incorporate certain additional provisions.

Eligibility

Employees become eligible for participation on the first eligibility date that coincides with or immediately follows completion of four months of service following their respective hire date. The Plan entry dates are each January 1 and July 1. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute a minimum of 4% and a maximum of 50% of their compensation (as defined) on a tax-deferred basis, subject to certain maximum limitations imposed by the Internal Revenue Code. The Company may make discretionary matching contributions. During 2017, employer discretionary matching contributions totaled $753,927. Rollover contributions are allowed only if such contributions will not jeopardize the tax exempt status of the Plan and may be made prior to meeting the eligibility requirements for participation in the Plan.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of the Company's discretionary matching contributions (100% match on the first 4% of the participant's eligible compensation), and plan earnings and charged with an allocation of plan expenses. Allocations are based on participants' investment elections and earnings or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Vesting

Participant are immediately vested in their contributions plus earnings or losses thereon. Vesting in the Company's contributions portion of discretionary matching and profit-sharing contributions is based on years of continuous service according to the following schedule:

Years of Vesting Service	Percentage Payable
Less than 2 years	0%
2 but less than 3 years	20%
3 but less than 4 years	40%
4 but less than 5 years	60%
5 but less than 6 years	80%
At least 6 years	100%

Investment Options

Participants must direct contributions to selected investments as made available and determined by the Plan Administrator. Participants may change their investment options at any time throughout the year via internet or direct phone access to Principal. Additionally, as more fully discussed in Note 6, during 2013, participants were presented the option to invest in the debt securities of the Plan Sponsor, offered to the Plan.

Notes receivable from Participants

Participants may borrow from their accounts an amount not to exceed the lesser of: (a) one-half of the participant's vested account balance or (b) $50,000 reduced by the participant's greatest outstanding loan balance during the 12 months preceding the date of the loan. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 5.50% which are commensurate with local prevailing rates as determined periodically by the Plan administrator. Loans are required to be repaid within 5 years of the date of the loan except in the case of certain loans to acquire a principal residence, which may be repaid over a period not to exceed 10 years. Principal and interest are repaid ratably through payroll deductions.

Payments of Benefits

Payments for benefits under the Plan are recorded when paid. Upon termination of service due to death, disability or retirement, participants may receive a lump sum payment equal to their vested account balance. Participants who are also active employees can request a hardship withdrawal up to their vested account balance, subject to certain conditions and restrictions.

Forfeitures

Forfeitures represent the portion of non-vested account balances of terminated participants. The employer matching forfeiture allocation, if any, is first applied to pay administrative expenses then to reduce the Company discretionary matching contribution or is allocated to active participants or to restore previously forfeited qualifying-participant accounts. At December 31, 2017 and 2016, forfeited non-vested accounts totaled $14,255 and $8,870, respectively. Also, in 2017, administrative expenses and employer contributions were reduced by $7,220 from forfeited nonvested accounts.

Put Option

Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current value of the stock. The Company may pay the purchase price in a single cash payment or in substantially equal periodic payments over a period of five years.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares (at fair market value of the company stock based on the most recent valuation) allocated to his or her account, less any shares previously diversified. In the sixth year, the diversification percentage changes to 50 percent.

2. Summary of Significant Accounting Policies

Date of Management's Review

The Plan has evaluated events and transactions for potential recognition or disclosure through September 27, 2018, the date the financial statements were available to be issued.

Use of Estimates

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

Basis of Accounting

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

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Company. However, such officers and employees receive no compensation from the Plan. Administrative expenses are paid by the Plan.

Benefits Payable to Terminated Participants

Benefits are recorded when paid.

Investment Valuation and Income Recognition

Investments of the Plan are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

The net appreciation (depreciation) in the fair value of investments consists of the realized gains and losses on investments bought and sold as well as held during the year and unrealized appreciation (depreciation) of investments. The net change in unrealized appreciation (depreciation) in the fair value of investments is determined by the change in fair value from the beginning of the year to the end of the year or change in fair value from date of the purchase to the end of the year.

Purchases and sales are recorded on a trade date basis. Interest income and dividends are recorded when received.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the Plan document.

3. Information Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by Principal Trust Company, the trustee of the Plan.

	2017	2016
General securities, at fair value:		
Common/collective trusts	$ 7,326,884	$ 5,407,281
Pooled separate accounts	1,854,561	1,547,714
Mutual funds	3,731,257	2,958,671
Investment contract with insurance company	395,815	323,674
Total general securities, at fair value	$ 13,308,517	$ 10,237,340
Notes receivable from participants	$ 249,413	$ 242,787
Interest income on Red River BanCorp, Inc. notes	$ 59,250	
Dividend income	$ 563,870	
Interest income on notes receivable from participants	$ 10,452	

4. Investment Contract with Insurance Company

The Plan entered into a benefit-responsive guaranteed investment contracts (Custodial Guaranteed Interest Contract) with Principal Life Insurance Company (Principal). Principal 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 guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the fully benefit-responsive guaranteed investment contracts. However, the guaranteed investment contract is presented on the face of the statement of net assets available for benefits at fair value because contract value approximates fair value. Contract value, as reported to the Plan by Principal, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The fair value of the investment contracts at December 31, 2017 and 2016 was $395,815 and $323,674, respectively. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a quarterly basis for resetting.

Certain events limit the Plan's ability to transact at contract value with Principal. Such events include the following: (a) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (b) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (c) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the plan, or (d) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring.

5. Fair Value Measurements

ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three broad levels of the fair value hierarchy are as follows:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority.
- Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1).
- Level 3 inputs consist of unobservable inputs and have the lowest priority.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs are not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs are not available.

.

Level 1 Fair Value Measurements

Mutual funds - The fair value of mutual funds is based on quoted net asset values of the shares as reported by the fund. The mutual funds held by the Plan are open-end mutual funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Plan are considered to be actively traded.

Level 2 Fair Value Measurements

Common/collective trusts - The Plan's interest in the collective investment trust is based on the fair value of the collective trust's underlying investments based on information reported by the trustee using the audited financial statements of the collective trust at year end. Investments in this fund can be redeemed on a daily basis to meet benefit payments and other participant-initiated withdrawals.

Pooled separate accounts – The fair value of the pooled separate accounts is based on other observable inputs. Pooled separate accounts invest in mutual funds and are valued at the net asset value (NAV) of the pool of investments owned by the mutual funds held by the Plan at year end. These values are determined at least quarterly.

Level 3 Fair Value Measurements

Guaranteed interest account - The Plan's investment contract with insurance company is an annuity contract backed by the assets in the general account of an insurance company. Due to the nature of this contract, there are not specific underlying assets assigned. Since these contracts cannot be sold, transferred, or assigned externally, there is limited market data to support valuation. Because most participant transactions are executed using contract value without adjustment, The Plan believes contract value (determined on a quarterly basis) approximates fair value.

Employer securities - The fair value of employer common stocks is measured at estimated fair market value based on the evaluation of an independent third party valuation specialist. The fair value is determined using the Combined Valuation approach which is the cumulative sum of the products of the weighted value per share determined using the income approach and the market approach adjusted year to year for changing conditions affecting the Company (marketability discount 10%). The fair value of the employer debt securities (notes receivable from plan sponsor) is measured at cost as determined by the Plan sponsor.

The following sets forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2017 and 2016:

		Fair Value Measurements Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
December 31, 2017:				
Common/collective trusts	$ 7,326,884	$ -	$ 7,326,884	$ -
Pooled separate accounts	1,854,561	-	1,854,561	-
Mutual funds	3,731,257	3,731,257	-	-
Guaranteed interest contract	395,815	-	-	395,815
Employer common stocks	13,153,910	-	-	13,153,910
Employer notes receivable	1,185,000	-	-	1,185,000
Total investment, at fair value	$ 27,647,427	$ 3,731,257	$ 9,181,445	$ 14,734,725
December 31, 2016:				
Common/collective trusts	$ 5,407,281	$ -	$ 5,407,281	$ -
Pooled separate accounts	1,547,714	-	1,547,714	-
Mutual funds	2,958,671	2,958,671	-	-
Guaranteed interest contract	323,674	-	-	323,674
Employer common stocks	11,958,100	-	-	11,958,100
Employer notes receivable	1,185,000	-	-	1,185,000
Total investment, at fair value	$ 23,380,440	$ 2,958,671	$ 6,954,995	$ 13,466,774

Gains and losses included in changes in net assets available for benefits for the year ended December 31, 2017 are reported in net appreciation (depreciation) in fair value of investments.

The following presents a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31, 2017 and 2016:

	Guaranteed Interest Contract with Insurance Company	Employer Common Stocks	Employer Notes Receivable
December 31, 2017:			
Balance, beginning of year	$ 323,674	$ 11,958,100	$ 1,185,000
Purchases and issuances	142,684	-	-
Redemptions	(92,415)	-	-
Unrealized appreciation	21,872	1,195,810	-
Balance, end of year	$ 395,815	$ 13,153,910	$ 1,185,000
December 31, 2016:			
Balance, beginning of year	$ 411,476	$ 10,591,460	$ 1,185,000
Purchases and issuances	701,840	-	-
Redemptions	(797,502)	-	-
Unrealized appreciation	7,860	1,366,640	-
Balance, end of year	$ 323,674	$ 11,958,100	$ 1,185,000

6. Related Party and Party-in-Interest Transactions

Parties-in-interest are defined under DOL regulations as any fiduciary of the Plan or any party rendering services to the Plan, the Company, and certain others:

Certain plan investments are shares or units of common/collective trusts, pooled separate accounts, mutual funds and guaranteed interest contract managed by Principal Trust Company (plan trustee). Principal and the Trust department of the Plan Sponsor are the trustees of the Plan as defined by the Plan and therefore these transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management services are included in investment income, as they are paid through investments revenue sharing arrangements rather than direct payment arrangements.

Red River BanCorp, Inc. Company Common Stock

Certain plan investments are shares of common stock of Red River BanCorp, Inc. (Plan sponsor) managed by the Trust department of the Plan sponsor. The investment in employer securities represents 17,083 shares of the Company's common stock at December 31, 2017 and 2016. These shares are recorded at estimated fair value. The Company's valuation of its common stock is performed annually by an independent appraisal entity. At December 31, 2017 and 2016, the fair value per share of common stock was appraised to be $770 and $700, respectively. There were no transactions during 2017. Refer to Note 5 for additional disclosure of employer securities.

Notes receivable from Red River BanCorp, Inc. Company

Certain plan investments are notes receivable issued by Red River BanCorp, Inc. (Plan sponsor) managed by the Trust department of the Plan sponsor. In November 2013, certain plan participants redeemed all outstanding notes and repurchased $1,185,000 in subordinated promissory notes from Red River BanCorp, Inc., the Plan's Sponsor. The repurchased notes (2013 Notes) are subordinated to any senior indebtedness of the Plan Sponsor, bear interest at 5% (payable quarterly since April 2014), and have a maturity date of March 31, 2023. The Plan Sponsor, at its discretion, may redeem the Notes in full or in part after they have been outstanding for a period of five years. The outstanding balance of the 2013 Notes was $1,185,000 at December 31, 2017 and 2016. During 2016, the Plan recorded interest income of $59,250 related to the notes receivable from Red River BanCorp, Inc. Company. Refer to Note 5 for additional disclosure of employer securities.

These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

7. Tax Status

The Plan obtained its latest determination letter on September 18, 2013, in which the Internal Revenue Service stated that the Plan was in compliance with the applicable requirements of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Services. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

8. Plan Termination

While there is no intention to do so, the Company reserves the right to terminate the Plan. In the event of termination of the Plan, the participants become fully vested in their employer contribution balances, and the net assets of the Plan will be distributed to the participants of the Plan in accordance with the provisions of ERISA.

9. Risks and Uncertainties

The Plan provides for various investment options in investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risks associated with investment securities, and the level of uncertainty related to changes in the value of these securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes in net assets available for benefits.

The following table presents concentrations of investments that represented 5% or more of the Plan's net assets at December 31, 2017 and 2016:

	2017	2016
Common/collective trusts:		
Principal Trust Target 2020 Fund	$ 2,149,596	$ 1,693,578
Principal Trust Target 2030 Fund	1,610,046	1,457,908
Pooled separate accounts-		
Principal Money Market Separate Acct	1,854,561	1,547,714
Employer securities:		
Red River BanCorp, Inc. Company common stock	13,153,910	11,958,100
Red River BanCorp, Inc. Company notes receivable	***	1,185,000

*** Investment did not represent 5% or more of the Plan assets as of the year end presented.

SUPPLEMENTAL SCHEDULE

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, PART IV, LINE 4 (i) – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)

December 31, 2017

	Common/collective trusts					
	Principal Life Insurance Company					
*	Principal Trust Target 2010 Fund	Stable value	976.6930	**	$	19,162
*	Principal Trust Target 2015 Fund	Stable value	6,654.6210	**		141,335
*	Principal Trust Target 2020 Fund	Stable value	95,495.8490	**		2,149,596
*	Principal Trust Target 2025 Fund	Stable value	55,787.3840	**		1,347,252
*	Principal Trust Target 2030 Fund	Stable value	63,739.1960	**		1,610,046
*	Principal Trust Target 2035 Fund	Stable value	15,488.9730	**		399,767
*	Principal Trust Target 2040 Fund	Stable value	25,068.4440	**		667,570
*	Principal Trust Target 2045 Fund	Stable value	14,769.6810	**		404,245
*	Principal Trust Target 2050 Fund	Stable value	10,196.2560	**		285,902
*	Principal Trust Target 2055 Fund	Stable value	8,397.8040	**		238,917
*	Principal Trust Target 2060 Fund	Stable value	4,333.2330	**		60,839
*	Principal Trust Income Fund	Stable value	140.3090	**		2,253
	Total Common/collective trusts					7,326,884
	Pooled separate accounts					
*	Principal Money Market Sep. Acct	Money market	42,421.3436	**		1,854,561
	Mutual Funds					
	AB Global Bond Fund	Mutual fund	2,864.5080	**		24,091
	AB Large Cap Gwth A Fund	Mutual fund	3,542.2720	**		169,250
	Allianz GI Small Cap A Fund	Mutual fund	2,566.7210	**		111,396
	AM FDS New Persp R3 Fund	Mutual fund	4,766.2580	**		201,136
	American Independence US Inf Ind A Fund	Mutual fund	11,448.7750	**		121,243
	Blackrock Hlth Sci Op Inv A Fund	Mutual fund	5,273.2130	**		282,855
	BlackRock iShares US Agg Bond Index Inv	Mutual fund	7,765.7630	**		78,667
	Delaware Corp Bond A Fund	Mutual fund	4,748.3230	**		28,015
	Delaware Value A Fund	Mutual fund	7,500.7340	**		161,116
	Fidelity Advisor Energy T Fund	Mutual fund	1,818.1240	**		64,089
	Janus Triton S Fund	Mutual fund	4,346.2500	**		121,173
	JP Morgan Govt Bond Fund	Mutual fund	2,512.0600	**		26,326
	MassMutual Sel Mid Cap Grwth R4 Fund	Mutual fund	1,101.3050	**		20,484
	Oakmark II Fund	Mutual fund	5,642.3640	**		474,410
	Oakmark Intl II Fund	Mutual fund	5,605.7440	**		161,221
	Oppenheimer Int'l Div A Fund	Mutual fund	1,415.1260	**		25,869
	PIMCO Income R Fund	Mutual fund	6,355.2930	**		78,869
*	Prin Real Estate Securities R4 Fund	Mutual fund	3,149.4140	**		72,185
*	Principal Global Inv LargeCap S&P 500 Ind	Mutual fund	30,772.8660	**		541,602
*	Principal Global Inv MidCap S&P 400 Inde	Mutual fund	19,922.7260	**		435,710
						3,199,707

(continued)

See accompanying independent auditor's report and notes thereto.

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, PART IV, LINE 4 (i) – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)

December 31, 2017

EIN: 75-0270410
PN: 002

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment	Units(Shares)	(d) Cost	(e) Current Value
					(Continuation)
	Continuation of mutual funds				3,199,707
	Prudential QMA Mid-Cap Value A Fd	Mutual fund	15,415.2430	**	345,149
	Small Cap S&P 600 Index Fund	Mutual fund	5,485.5990	**	152,993
	Victory Incore Fund for Inc R Fund	Mutual fund	529.6680	**	4,761
	Virtus Emerg Mkts Opps A Fund	Mutual fund	2,450.5100	**	28,647
	Total mutual funds				3,731,257
	Investment contract with Principal Life Insurance Company				
*	Fixed Income Guaranteed Option		31,450.8640	**	395,815
	Employer securities				
*	Red River BanCorp, Inc.	Common stock	17,083.0000	3,208,653	13,153,910
*	Red River BanCorp, Inc.	Note receivable, principal $1,185,000 interest at 5%, matures March 31, 2023		1,185,000	1,185,000
	Total employer securities				14,338,910
	Notes receivable from participants				
	Participant loans	Interest rates range from 4.25% to 5.50%, various maturity dates through November 2022			249,413
	TOTAL ASSETS AT DECEMBER 31, 2017				$ 27,896,840

* Denotes Party in interest to the Plan.

** Cost is not required for participant-directed investments.

See accompanying independent auditor's report and notes thereto.

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SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FIRST STATE BANK 401(K) PROFIT SHARING AND EM
AN
EIN 75 0270410
PLAN NUMBER 002
PLAN YEAR 01/01/2017 TO 12/31/2017

(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
	American Funds Service Company	Registered Investment Company Am Fds New Persp R3 Fund	$ 0.00	$ 201,136.10
	Alliance Bernstein	Registered Investment Company AB Global Bond A Fund	$ 0.00	$ 24,090.87
	Alliance Bernstein	Registered Investment Company AB LARGE CAP GROWTH A FUND	$ 0.00	$ 169,249.74
	American Independence Fin Srv	Registered Investment Company AI US Inflation-Protect A Fund	$ 0.00	$ 121,242.54
	Allianz	Registered Investment Company ALLIANZGI INT SMALL-CAP A FD	$ 0.00	$ 111,395.64
	BlackRock	Registered Investment Company BlackRock Hlth Sci Op Inv A Fd	$ 0.00	$ 282,855.14
	Delaware Investments	Registered Investment Company Delaware Corp Bond A Fund	$ 0.00	$ 28,015.16
	Delaware Investments	Registered Investment Company DELAWARE VALUE A FUND	$ 0.00	$ 161,115.78
	Fidelity Investments	Registered Investment Company Fidelity Advisor Energy M Fund	$ 0.00	$ 64,088.90
	BlackRock	Registered Investment Company ISHS US AGG BD INDEX INV A FD	$ 0.00	$ 78,667.16
	Janus International Holding, LLC	Registered Investment Company JanusHenderson Triton S	$ 0.00	$ 121,173.46
	JP Morgan Funds	Registered Investment Company JP Morgan Govt Bond R2 Fund	$ 0.00	$ 26,326.49
	MassMutual Financial Group	Registered Investment Company MASSMUT SEL MID CP GR R4 FD	$ 0.00	$ 20,484.27
	Oakmark	Registered Investment Company Oakmark Fund- Service Class	$ 0.00	$ 474,409.95
	Oakmark	Registered Investment Company Oakmark Int'l Fund-Service	$ 0.00	$ 161,221.17

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FIRST STATE BANK 401(K) PROFIT SHARING AND EM
AN
EIN 75 0270410
PLAN NUMBER 002
PLAN YEAR 01/01/2017 TO 12/31/2017

(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
	Oppenheimer	Registered Investment Company OPPENHEIMER INT'L DIV A FUND	$ 0.00	$ 25,868.51
*	Principal Life Insurance Company	Insurance Company General Prin Fixed Inc Guar Option	$ 0.00	$ 395,815.14
*	Principal Funds Inc	Registered Investment Company Prin LgCap S&P 500 Idx R4 Fund	$ 0.00	$ 541,602.40
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr Inc CIT R4	$ 0.00	$ 2,252.94
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2010 CIT R4	$ 0.00	$ 19,162.31
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2015 CIT R4	$ 0.00	$ 141,335.46
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2020 CIT R4	$ 0.00	$ 2,149,595.68
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2025 CIT R4	$ 0.00	$ 1,347,251.53
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2030 CIT R4	$ 0.00	$ 1,610,046.18
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2035 CIT R4	$ 0.00	$ 399,766.81
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2040 CIT R4	$ 0.00	$ 667,570.35
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2045 CIT R4	$ 0.00	$ 404,244.50
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2050 CIT R4	$ 0.00	$ 285,902.48
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2055 CIT R4	$ 0.00	$ 238,916.86
*	Principal Global Investors Trust Co	Common/Collective Trust Prin LifeTime Hybr 2060 CIT R4	$ 0.00	$ 60,838.62

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

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SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FIRST STATE BANK 401(K) PROFIT SHARING AND EM
AN
EIN 75 0270410
PLAN NUMBER 002
PLAN YEAR 01/01/2017 TO 12/31/2017

(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
*	Principal Life Insurance Company	Pooled Separate Accounts Prin Liquid Assets Sep Acct-R3	$ 0.00	$ 1,854,560.62
*	Principal Funds Inc	Registered Investment Company Prin MidCap S&P 400 Idx R4 Fd	$ 0.00	$ 435,710.06
*	Principal Funds Inc	Registered Investment Company Prin SmCap S&P 600 Idx R4 Fund	$ 0.00	$ 152,993.41
	PGIM Investments	Registered Investment Company Prudential QMA Mid-Cp Val A Fd	$ 0.00	$ 345,148.75
	PIMCO Funds	Registered Investment Company PIMCO Income R Fund	$ 0.00	$ 78,869.18
*	Principal Funds Inc	Registered Investment Company PRIN REAL ESTATE SECS R4 FUND	$ 0.00	$ 72,184.57
	Red River Bancorp	Employer Security Red River Bancorp - Employer Security	$ 0.00	$ 13,153,910.00
*	Red River Bancorp	Employer Security Red River Bancorp Note	$ 0.00	$ 1,185,000.00
	Victory Funds	Registered Investment Company Victory INCORE Fd For Inc R Fd	$ 0.00	$ 4,760.88
	Virtus	Registered Investment Company Virtus Von Emer Mark Opps A Fd	$ 0.00	$ 28,646.47
	Van Eck	Registered Investment Company VAN ECK CM COMMODITY IDX A	$ 0.00	$ 0.04
*	Participant Loans	Range of Interest Rates Rates Range From 4.25% To 5.50%	$ 0.00	$ 249,413.00

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

FIRST STATE BANK
401(k) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

Financial Statements and Supplemental Schedule

December 31, 2017 and 2016

(With Independent Auditor's Report Thereon)

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PAYNE & SMITH, LLC
Certified Public Accountants

Independent Auditor's Report

To the Sponsor
First State Bank of Gainesville, Texas
401(k) Profit Sharing and Employee Stock
Ownership Plan and Trust
Gainesville, Texas

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the First State Bank 401(k) Profit Sharing and Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Plan 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 our audits 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 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 3, which was certified by Principal Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executed investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2017 and 2016, that the information provided to the plan administrator by the trustee 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.

Other Matter

The supplemental Schedule of Assets (Held at End of Year) 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. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

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 supplemental schedule, other than that derived from the information certified by the trustees, 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.

Payne & Smith, LLC

September 27, 2018

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS
AVAILABLE FOR BENEFITS

December 31, 2017 and 2016

	2017	2016
ASSETS		
Investments, at fair value:		
General securities:		
Common/collective trusts	$ 7,326,884	$ 5,407,281
Pooled separate accounts	1,854,561	1,547,714
Mutual funds	3,731,257	2,958,671
Guaranteed interest contract with insurance company	395,815	323,674
Total general securities	13,308,517	10,237,340
Employer securities:		
Red River BanCorp, Inc. Company common stock	13,153,910	11,958,100
Red River BanCorp, Inc. Company notes receivable	1,185,000	1,185,000
Total employer securities	14,338,910	13,143,100
Total investments, at fair value	27,647,427	23,380,440
Receivables:		
Employer contributions	-	686,879
Participants' contributions	-	24,176
Notes receivable from participants	249,413	242,787
Total receivables	249,413	953,842
Total assets	27,896,840	24,334,282
LIABILITIES		
Accrued payables	-	4,611
NET ASSETS AVAILABLE FOR BENEFITS	$ 27,896,840	$ 24,329,671

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

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS

For the Year Ended December 31, 2017

ADDITIONS TO NET ASSETS ATTRIBUTED TO:	
Investment income:	
Net appreciation (depreciation) in fair value of investments	$ 2,603,003
Interest income on Red River BanCorp, Inc. notes receivable	59,250
Dividend income	563,870
Net investment income	3,226,123
Interest income on notes receivable from participants	10,452
Contributions:	
Employer	753,927
Participants'	728,853
Rollover	403,844
Total contributions	1,886,624
Total additions	5,123,199
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:	
Benefit payments to participants	1,553,012
Contract administrator fees	3,018
Total deductions	1,556,030
NET INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS	3,567,169
NET ASSETS AVAILABLE FOR BENEFITS:	
Beginning of year	24,329,671
End of year	$ 27,896,840

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

1. Description of the Plan

The following description of the First State Bank 401(k) Profit Sharing and Employee Stock Ownership Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan. Specifically, it is an employee stock ownership plan with 401(k) provisions that is intended to invest primarily in Red River BanCorp, Inc. (referred to as the Plan Sponsor or Company) common stock and managed investments which are funded by contributions from both the participants and the Plan Sponsor. The Plan was adopted December 1, 1959, and most recently amended effective January 1, 2016, to incorporate certain additional provisions.

Eligibility

Employees become eligible for participation on the first eligibility date that coincides with or immediately follows completion of four months of service following their respective hire date. The Plan entry dates are each January 1 and July 1. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute a minimum of 4% and a maximum of 50% of their compensation (as defined) on a tax-deferred basis, subject to certain maximum limitations imposed by the Internal Revenue Code. The Company may make discretionary matching contributions. During 2017, employer discretionary matching contributions totaled $753,927. Rollover contributions are allowed only if such contributions will not jeopardize the tax exempt status of the Plan and may be made prior to meeting the eligibility requirements for participation in the Plan.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of the Company's discretionary matching contributions (100% match on the first 4% of the participant's eligible compensation), and plan earnings and charged with an allocation of plan expenses. Allocations are based on participants' investment elections and earnings or account balances, as defined in the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Vesting

Participant are immediately vested in their contributions plus earnings or losses thereon. Vesting in the Company's contributions portion of discretionary matching and profit-sharing contributions is based on years of continuous service according to the following schedule:

Years of Vesting Service	Percentage Payable
Less than 2 years	0%
2 but less than 3 years	20%
3 but less than 4 years	40%
4 but less than 5 years	60%
5 but less than 6 years	80%
At least 6 years	100%

Investment Options

Participants must direct contributions to selected investments as made available and determined by the Plan Administrator. Participants may change their investment options at any time throughout the year via internet or direct phone access to Principal. Additionally, as more fully discussed in Note 6, during 2013, participants were presented the option to invest in the debt securities of the Plan Sponsor, offered to the Plan.

Notes receivable from Participants

Participants may borrow from their accounts an amount not to exceed the lesser of: (a) one-half of the participant's vested account balance or (b) $50,000 reduced by the participant's greatest outstanding loan balance during the 12 months preceding the date of the loan. The loans are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 5.50% which are commensurate with local prevailing rates as determined periodically by the Plan administrator. Loans are required to be repaid within 5 years of the date of the loan except in the case of certain loans to acquire a principal residence, which may be repaid over a period not to exceed 10 years. Principal and interest are repaid ratably through payroll deductions.

Payments of Benefits

Payments for benefits under the Plan are recorded when paid. Upon termination of service due to death, disability or retirement, participants may receive a lump sum payment equal to their vested account balance. Participants who are also active employees can request a hardship withdrawal up to their vested account balance, subject to certain conditions and restrictions.

Forfeitures

Forfeitures represent the portion of non-vested account balances of terminated participants. The employer matching forfeiture allocation, if any, is first applied to pay administrative expenses then to reduce the Company discretionary matching contribution or is allocated to active participants or to restore previously forfeited qualifying-participant accounts. At December 31, 2017 and 2016, forfeited non-vested accounts totaled $14,255 and $8,870, respectively. Also, in 2017, administrative expenses and employer contributions were reduced by $7,220 from forfeited nonvested accounts.

Put Option

Under federal income tax regulations, the Company stock that is held by the Plan and its participants and is not readily tradable on an established market, or is subject to trading limitations includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current value of the stock. The Company may pay the purchase price in a single cash payment or in substantially equal periodic payments over a period of five years.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 with at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25 percent of the number of post-1986 shares (at fair market value of the company stock based on the most recent valuation) allocated to his or her account, less any shares previously diversified. In the sixth year, the diversification percentage changes to 50 percent.

2. Summary of Significant Accounting Policies

Date of Management's Review

The Plan has evaluated events and transactions for potential recognition or disclosure through September 27, 2018, the date the financial statements were available to be issued.

Use of Estimates

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

Basis of Accounting

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

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Company. However, such officers and employees receive no compensation from the Plan. Administrative expenses are paid by the Plan.

Benefits Payable to Terminated Participants

Benefits are recorded when paid.

Investment Valuation and Income Recognition

Investments of the Plan are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

The net appreciation (depreciation) in the fair value of investments consists of the realized gains and losses on investments bought and sold as well as held during the year and unrealized appreciation (depreciation) of investments. The net change in unrealized appreciation (depreciation) in the fair value of investments is determined by the change in fair value from the beginning of the year to the end of the year or change in fair value from date of the purchase to the end of the year.

Purchases and sales are recorded on a trade date basis. Interest income and dividends are recorded when received.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the Plan document.

3. Information Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by Principal Trust Company, the trustee of the Plan.

	2017	2016
General securities, at fair value:		
Common/collective trusts	$ 7,326,884	$ 5,407,281
Pooled separate accounts	1,854,561	1,547,714
Mutual funds	3,731,257	2,958,671
Investment contract with insurance company	395,815	323,674
Total general securities, at fair value	$ 13,308,517	$ 10,237,340
Notes receivable from participants	$ 249,413	$ 242,787
Interest income on Red River BanCorp, Inc. notes	$ 59,250	
Dividend income	$ 563,870	
Interest income on notes receivable from participants	$ 10,452	

4. Investment Contract with Insurance Company

The Plan entered into a benefit-responsive guaranteed investment contracts (Custodial Guaranteed Interest Contract) with Principal Life Insurance Company (Principal). Principal 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 guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the fully benefit-responsive guaranteed investment contracts. However, the guaranteed investment contract is presented on the face of the statement of net assets available for benefits at fair value because contract value approximates fair value. Contract value, as reported to the Plan by Principal, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The fair value of the investment contracts at December 31, 2017 and 2016 was $395,815 and $323,674, respectively. The crediting interest rate is based on a formula agreed upon with the issuer. Such interest rates are reviewed on a quarterly basis for resetting.

Certain events limit the Plan's ability to transact at contract value with Principal. Such events include the following: (a) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (b) changes to the plan's prohibition on competing investment options or deletion of equity wash provisions, (c) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the plan, or (d) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974. The Plan administrator does not believe that any events that would limit the Plan's ability to transact at contract value with Plan participants are probable of occurring.

5. Fair Value Measurements

ASC Topic 820, *Fair Value Measurements and Disclosures*, establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three broad levels of the fair value hierarchy are as follows:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority.
- Level 2 inputs consist of observable inputs other than quoted prices for identical assets (Level 1).
- Level 3 inputs consist of unobservable inputs and have the lowest priority.

The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 2 inputs are used for investments for which Level 1 inputs are not available. Level 3 inputs would only be used if Level 1 or Level 2 inputs are not available.

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Level 1 Fair Value Measurements

Mutual funds - The fair value of mutual funds is based on quoted net asset values of the shares as reported by the fund. The mutual funds held by the Plan are open-end mutual funds registered with the U.S. Securities and Exchange Commission. The funds must publish their daily net asset value and transact at that price. The mutual funds held by the Plan are considered to be actively traded.

Level 2 Fair Value Measurements

Common/collective trusts - The Plan's interest in the collective investment trust is based on the fair value of the collective trust's underlying investments based on information reported by the trustee using the audited financial statements of the collective trust at year end. Investments in this fund can be redeemed on a daily basis to meet benefit payments and other participant-initiated withdrawals.

Pooled separate accounts – The fair value of the pooled separate accounts is based on other observable inputs. Pooled separate accounts invest in mutual funds and are valued at the net asset value (NAV) of the pool of investments owned by the mutual funds held by the Plan at year end. These values are determined at least quarterly.

Level 3 Fair Value Measurements

Guaranteed interest account - The Plan's investment contract with insurance company is an annuity contract backed by the assets in the general account of an insurance company. Due to the nature of this contract, there are not specific underlying assets assigned. Since these contracts cannot be sold, transferred, or assigned externally, there is limited market data to support valuation. Because most participant transactions are executed using contract value without adjustment, The Plan believes contract value (determined on a quarterly basis) approximates fair value.

Employer securities - The fair value of employer common stocks is measured at estimated fair market value based on the evaluation of an independent third party valuation specialist. The fair value is determined using the Combined Valuation approach which is the cumulative sum of the products of the weighted value per share determined using the income approach and the market approach adjusted year to year for changing conditions affecting the Company (marketability discount 10%). The fair value of the employer debt securities (notes receivable from plan sponsor) is measured at cost as determined by the Plan sponsor.

The following sets forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2017 and 2016:

		Fair Value Measurements Using:		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
December 31, 2017:				
Common/collective trusts	$ 7,326,884	$ -	$ 7,326,884	$ -
Pooled separate accounts	1,854,561	-	1,854,561	-
Mutual funds	3,731,257	3,731,257	-	-
Guaranteed interest contract	395,815	-	-	395,815
Employer common stocks	13,153,910	-	-	13,153,910
Employer notes receivable	1,185,000	-	-	1,185,000
Total investment, at fair value	$ 27,647,427	$ 3,731,257	$ 9,181,445	$ 14,734,725
December 31, 2016:				
Common/collective trusts	$ 5,407,281	$ -	$ 5,407,281	$ -
Pooled separate accounts	1,547,714	-	1,547,714	-
Mutual funds	2,958,671	2,958,671	-	-
Guaranteed interest contract	323,674	-	-	323,674
Employer common stocks	11,958,100	-	-	11,958,100
Employer notes receivable	1,185,000	-	-	1,185,000
Total investment, at fair value	$ 23,380,440	$ 2,958,671	$ 6,954,995	$ 13,466,774

Gains and losses included in changes in net assets available for benefits for the year ended December 31, 2017 are reported in net appreciation (depreciation) in fair value of investments.

The following presents a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31, 2017 and 2016:

	Guaranteed Interest Contract with Insurance Company	Employer Common Stocks	Employer Notes Receivable
December 31, 2017:			
Balance, beginning of year	$ 323,674	$ 11,958,100	$ 1,185,000
Purchases and issuances	142,684	-	-
Redemptions	(92,415)	-	-
Unrealized appreciation	21,872	1,195,810	-
Balance, end of year	$ 395,815	$ 13,153,910	$ 1,185,000
December 31, 2016:			
Balance, beginning of year	$ 411,476	$ 10,591,460	$ 1,185,000
Purchases and issuances	701,840	-	-
Redemptions	(797,502)	-	-
Unrealized appreciation	7,860	1,366,640	-
Balance, end of year	$ 323,674	$ 11,958,100	$ 1,185,000

6. Related Party and Party-in-Interest Transactions

Parties-in-interest are defined under DOL regulations as any fiduciary of the Plan or any party rendering services to the Plan, the Company, and certain others:

Certain plan investments are shares or units of common/collective trusts, pooled separate accounts, mutual funds and guaranteed interest contract managed by Principal Trust Company (plan trustee). Principal and the Trust department of the Plan Sponsor are the trustees of the Plan as defined by the Plan and therefore these transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management services are included in investment income, as they are paid through investments revenue sharing arrangements rather than direct payment arrangements.

Red River BanCorp, Inc. Company Common Stock

Certain plan investments are shares of common stock of Red River BanCorp, Inc. (Plan sponsor) managed by the Trust department of the Plan sponsor. The investment in employer securities represents 17,083 shares of the Company's common stock at December 31, 2017 and 2016. These shares are recorded at estimated fair value. The Company's valuation of its common stock is performed annually by an independent appraisal entity. At December 31, 2017 and 2016, the fair value per share of common stock was appraised to be $770 and $700, respectively. There were no transactions during 2017. Refer to Note 5 for additional disclosure of employer securities.

Notes receivable from Red River BanCorp, Inc. Company

Certain plan investments are notes receivable issued by Red River BanCorp, Inc. (Plan sponsor) managed by the Trust department of the Plan sponsor. In November 2013, certain plan participants redeemed all outstanding notes and repurchased $1,185,000 in subordinated promissory notes from Red River BanCorp, Inc., the Plan's Sponsor. The repurchased notes (2013 Notes) are subordinated to any senior indebtedness of the Plan Sponsor, bear interest at 5% (payable quarterly since April 2014), and have a maturity date of March 31, 2023. The Plan Sponsor, at its discretion, may redeem the Notes in full or in part after they have been outstanding for a period of five years. The outstanding balance of the 2013 Notes was $1,185,000 at December 31, 2017 and 2016. During 2016, the Plan recorded interest income of $59,250 related to the notes receivable from Red River BanCorp, Inc. Company. Refer to Note 5 for additional disclosure of employer securities.

These party-in-interest transactions are exempt from the prohibited transaction rules of ERISA.

7. Tax Status

The Plan obtained its latest determination letter on September 18, 2013, in which the Internal Revenue Service stated that the Plan was in compliance with the applicable requirements of the Internal Revenue Code. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Services. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress.

8. Plan Termination

While there is no intention to do so, the Company reserves the right to terminate the Plan. In the event of termination of the Plan, the participants become fully vested in their employer contribution balances, and the net assets of the Plan will be distributed to the participants of the Plan in accordance with the provisions of ERISA.

9. Risks and Uncertainties

The Plan provides for various investment options in investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risks associated with investment securities, and the level of uncertainty related to changes in the value of these securities, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and changes in net assets available for benefits.

The following table presents concentrations of investments that represented 5% or more of the Plan's net assets at December 31, 2017 and 2016:

	2017	2016
Common/collective trusts:		
Principal Trust Target 2020 Fund	$ 2,149,596	$ 1,693,578
Principal Trust Target 2030 Fund	1,610,046	1,457,908
Pooled separate accounts-		
Principal Money Market Separate Acct	1,854,561	1,547,714
Employer securities:		
Red River BanCorp, Inc. Company common stock	13,153,910	11,958,100
Red River BanCorp, Inc. Company notes receivable	***	1,185,000

*** Investment did not represent 5% or more of the Plan assets as of the year end presented.

SUPPLEMENTAL SCHEDULE

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, PART IV, LINE 4 (i) – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)

December 31, 2017

	Common/collective trusts					
	Principal Life Insurance Company					
*	Principal Trust Target 2010 Fund	Stable value	976.6930	**	$	19,162
*	Principal Trust Target 2015 Fund	Stable value	6,654.6210	**		141,335
*	Principal Trust Target 2020 Fund	Stable value	95,495.8490	**		2,149,596
*	Principal Trust Target 2025 Fund	Stable value	55,787.3840	**		1,347,252
*	Principal Trust Target 2030 Fund	Stable value	63,739.1960	**		1,610,046
*	Principal Trust Target 2035 Fund	Stable value	15,488.9730	**		399,767
*	Principal Trust Target 2040 Fund	Stable value	25,068.4440	**		667,570
*	Principal Trust Target 2045 Fund	Stable value	14,769.6810	**		404,245
*	Principal Trust Target 2050 Fund	Stable value	10,196.2560	**		285,902
*	Principal Trust Target 2055 Fund	Stable value	8,397.8040	**		238,917
*	Principal Trust Target 2060 Fund	Stable value	4,333.2330	**		60,839
*	Principal Trust Income Fund	Stable value	140.3090	**		2,253
	Total Common/collective trusts					7,326,884
	Pooled separate accounts					
*	Principal Money Market Sep. Acct	Money market	42,421.3436	**		1,854,561
	Mutual Funds					
	AB Global Bond Fund	Mutual fund	2,864.5080	**		24,091
	AB Large Cap Gwth A Fund	Mutual fund	3,542.2720	**		169,250
	Allianz GI Small Cap A Fund	Mutual fund	2,566.7210	**		111,396
	AM FDS New Persp R3 Fund	Mutual fund	4,766.2580	**		201,136
	American Independence US Inf Ind A Fund	Mutual fund	11,448.7750	**		121,243
	Blackrock Hlth Sci Op Inv A Fund	Mutual fund	5,273.2130	**		282,855
	BlackRock iShares US Agg Bond Index Inv	Mutual fund	7,765.7630	**		78,667
	Delaware Corp Bond A Fund	Mutual fund	4,748.3230	**		28,015
	Delaware Value A Fund	Mutual fund	7,500.7340	**		161,116
	Fidelity Advisor Energy T Fund	Mutual fund	1,818.1240	**		64,089
	Janus Triton S Fund	Mutual fund	4,346.2500	**		121,173
	JP Morgan Govt Bond Fund	Mutual fund	2,512.0600	**		26,326
	MassMutual Sel Mid Cap Grwth R4 Fund	Mutual fund	1,101.3050	**		20,484
	Oakmark II Fund	Mutual fund	5,642.3640	**		474,410
	Oakmark Intl II Fund	Mutual fund	5,605.7440	**		161,221
	Oppenheimer Int'l Div A Fund	Mutual fund	1,415.1260	**		25,869
	PIMCO Income R Fund	Mutual fund	6,355.2930	**		78,869
*	Prin Real Estate Securities R4 Fund	Mutual fund	3,149.4140	**		72,185
*	Principal Global Inv LargeCap S&P 500 Ind	Mutual fund	30,772.8660	**		541,602
*	Principal Global Inv MidCap S&P 400 Inde	Mutual fund	19,922.7260	**		435,710
						3,199,707

(continued)

See accompanying independent auditor's report and notes thereto.

FIRST STATE BANK
401(K) PROFIT SHARING AND EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, PART IV, LINE 4 (i) – SCHEDULE OF ASSETS
(HELD AT END OF YEAR)

December 31, 2017

EIN: 75-0270410
PN: 002

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment	Units(Shares)	(d) Cost	(e) Current Value
					(Continuation)
	Continuation of mutual funds				3,199,707
	Prudential QMA Mid-Cap Value A Fd	Mutual fund	15,415.2430	**	345,149
	Small Cap S&P 600 Index Fund	Mutual fund	5,485.5990	**	152,993
	Victory Incore Fund for Inc R Fund	Mutual fund	529.6680	**	4,761
	Virtus Emerg Mkts Opps A Fund	Mutual fund	2,450.5100	**	28,647
	Total mutual funds				3,731,257
	Investment contract with Principal Life Insurance Company				
*	Fixed Income Guaranteed Option		31,450.8640	**	395,815
	Employer securities				
*	Red River BanCorp, Inc.	Common stock	17,083.0000	3,208,653	13,153,910
*	Red River BanCorp, Inc.	Note receivable, principal $1,185,000 interest at 5%, matures March 31, 2023		1,185,000	1,185,000
	Total employer securities				14,338,910
	Notes receivable from participants				
	Participant loans	Interest rates range from 4.25% to 5.50%, various maturity dates through November 2022			249,413
	TOTAL ASSETS AT DECEMBER 31, 2017				$ 27,896,840

* Denotes Party in interest to the Plan.

** Cost is not required for participant-directed investments.

See accompanying independent auditor's report and notes thereto.