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

2020

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/18/2020

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
- [X] the final return/report
- [ ] an amended return/report
- [X] 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
NORTH STATE COMMUNICATIONS RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 02/10/1944

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)
NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS

P.O. BOX 2326
HIGH POINT, NC 27261

4100 MENDENHALL OAKS PARKWAY
SUITE 300
HIGH POINT, NC 27265

2b Employer Identification Number (EIN) 56-0341710

2c Plan Sponsor's telephone number 336-886-3600

2d Business code (see instructions) 517000

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.	10/13/2021	CARRIE MIRANDA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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 ☐ Same as Plan Sponsor

NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS

P.O. BOX 2326
HIGH POINT, NC 27261

3b Administrator's EIN
56-0341710

3c Administrator's telephone number
336-886-3600

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**	595
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)**	162
a(2) Total number of active participants at the end of the plan year	**6a(2)**	0
b Retired or separated participants receiving benefits	**6b**	0
c Other retired or separated participants entitled to future benefits	**6c**	0
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
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:

1A 1I

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)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(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)	☒	**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)	☒		**H** (Financial Information)
(2)	☐		**I** (Financial Information – Small Plan)
(3)	☐	0	**A** (Insurance Information)
(4)	☒		**C** (Service Provider Information)
(5)	☐		**D** (DFE/Participating Plan Information)
(6)	☐		**G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2020 Form M-1 annual report. If the plan was not required to file the 2020 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 SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/18/2020

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
NORTH STATE COMMUNICATIONS RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS

D Employer Identification Number (EIN)
56-0341710

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2020

2 Assets:

a Market value	**2a**	96507666
b Actuarial value	**2b**	91871012

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	353	86096932	86096932
b For terminated vested participants	80	4138988	4138988
c For active participants	162	12107870	12209934
d Total	595	102343790	102445854

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.63 %
6 Target normal cost	**6**	445297

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

	09/27/2021
Signature of actuary	Date
CORINNE RUSSELL	20-07037
Type or print name of actuary	Most recent enrollment number
JOHN HANCOCK	781-619-2000
Firm name	Telephone number (including area code)
200 BERKELEY STREET BOSTON, MA 02116	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	2657769
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	731084
9	Amount remaining (line 7 minus line 8)	0	1926685
10	Interest on line 9 using prior year's actual return of 21.48 %	0	413852
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.41 %		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2340537

Part III Funding Percentages

14	Funding target attainment percentage	14	87.39 %
15	Adjusted funding target attainment percentage	15	87.39 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	80.34 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/21/2020	1237695	0			
01/13/2021	934600	0			
			Totals ► 18(b)	2172295	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	2056852

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.75 %	5.50 %	6.27 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	445297
b Excess assets, if applicable, but not greater than line 31a	**31b**	

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	12915379	1212582
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	1657879

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement		1657879	1657879

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	2056852
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	2056852
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	1657879
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☒ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☒ 2010 ☒ 2011

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.**	**2020** **This Form is Open to Public Inspection.**

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/18/2020

A Name of plan	**B** Three-digit plan number (PN) ▶
NORTH STATE COMMUNICATIONS RETIREMENT PLAN	001

C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)
NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS	56-0341710

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).. . . . . ☐ 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

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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)

LOOMIS SAYLES & COMPANY

04-3200030

(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?
28	NONE	107942	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

TRUIST BANK (FKA BB&T)

56-1074313

(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?
21	COMMON PARENT W/ TRUSTEE	68503	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

CAPTRUST FINANCIAL ADVISORS

26-0058143

(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	NONE	26467	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] 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)

DIXON HUGHES GOODMAN LLP

56-0747981

(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?
10	NONE	5100	Yes [ ] No [X]	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
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

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

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

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(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 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

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/18/2020

A Name of plan
NORTH STATE COMMUNICATIONS RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS

D Employer Identification Number (EIN)
56-0341710

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 reported 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)	2026436	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	320454	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	4047170	0
(2) U.S. Government securities	1c(2)	11088560	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	24915073	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	0	0
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	46997083	0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	0	0
(15) Other	1c(15)	0	0

			(a) Beginning of Year	**(b)** End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	7213116	0
	(2) Employer real property	1d(2)	0	0
e	Buildings and other property used in plan operation	1e	0	0
f	Total assets (add all amounts in lines 1a through 1e)	1f	96607892	0
	Liabilities			
g	Benefit claims payable	1g	0	0
h	Operating payables	1h	0	0
i	Acquisition indebtedness	1i	0	0
j	Other liabilities	1j	0	0
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	96607892	0

Part II Income and Expense Statement

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

	Income		**(a)** Amount	**(b)** Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	1237695	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1237695
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	11606	
	(B) U.S. Government securities	2b(1)(B)	86402	
	(C) Corporate debt instruments	2b(1)(C)	677612	
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)	85143	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		860763
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	889312	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		889312
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	168437871	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	162199467	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		6238404
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	1106717	
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		1106717

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		2728687
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		13061578
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	8412569	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		8412569
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	5100	
(2) Contract administrator fees	2i(2)	68502	
(3) Investment advisory and management fees	2i(3)	103045	
(4) Other	2i(4)	383180	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		559827
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		8972396
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		4089182
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		100697074

Part III Accountant's Opinion

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

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

(1) ☐ Unmodified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

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

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

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

(1) Name: DIXON HUGHES GOODMAN LLP **(2)** EIN: 56-0747981

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	

			Yes	No	Amount
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	
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	
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	
e	Was this plan covered by a fidelity bond?	4e	X		5000000
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)
LUMOS NETWORKS RETIREMENT PLAN	90-0673286	001

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4322738.

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

2020

This Form is Open to Public Inspection.

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/18/2020

A Name of plan
NORTH STATE COMMUNICATIONS RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS

D Employer Identification Number (EIN)
56-0341710

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): 56-1074313

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** 0

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): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	**14a**	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14b**	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	**14c**	

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

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

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

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

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

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

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

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

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

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

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

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____

North State Communications Retirement Plan

Financial Statements and Supplementary Information

As of and or the Years Ended
December 31, 2020 and 2019

DHG is registered in the U.S. Patent and Trademark Office to Dixon Hughes Goodman LLP.

Table of Contents

Independent Auditors' Report 1

Financial Statements:

Statements of Net Assets Available for Benefits 3

Statements of Changes in Net Assets Available for Benefits 4

Notes to Financial Statements 5

Supplementary Information:

Schedule of Reportable Transactions 13

DHG is registered in the U.S. Patent and Trademark Office to Dixon Hughes Goodman LLP.

Independent Auditors' Report

Advisory Committee
North State Communications Retirement Plan
Charlotte, NC

Report on the Financial Statements
We were engaged to audit the accompanying financial statements of North State Communications Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on conducting the 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 ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), 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 Branch Banking and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee for the years ended December 31, 2020 and 2019, and for the year ended December 31, 2020, 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 - Supplementary Information
The supplemental schedule or reportable transactions for the year ended December 31, 2020 is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA 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 of Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedule.

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 trustee, 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Dixon Hughes Goodman LLP

High Point, NC
October 12, 2021

North State Communications Retirement Plan
Statements of Net Assets Available for Benefits
December 31, 2020 and 2019

	2020	2019
ASSETS		
Investments, at fair value:		
Cash and cash equivalents	**$** -	$ 4,047,170
Mutual funds and exchange-traded funds	-	46,997,083
U.S. Government securities	-	10,883,571
Corporate, municipal, and foreign bonds and notes	-	25,120,062
North State Telecommunications Corporation common and preferred stock	-	7,213,116
Total investments	-	94,261,002
Receivables:		
Interest and dividends	-	320,454
Employer contribution receivable	-	2,029,276
Total receivables	-	2,349,730
Net assets available for benefits	**$** -	$ 96,610,732

See accompanying notes.

North State Communications Retirement Plan
Statement of Changes in Net Assets Available for Benefits
Years Ended December 31, 2020 and 2019

	2020	2019
Additions to net assets attributed to:		
Investment income:		
Interest and dividend income	**$ 1,750,075**	$ 3,336,614
Net appreciation in fair value of investments	**10,070,968**	14,126,999
Total investment income	**11,821,043**	17,463,613
Employer contributions	**1,237,695**	4,345,861
Total additions	**13,058,738**	21,809,474
Deductions from net assets attributed to:		
Benefits paid to participants	**8,412,569**	8,371,050
Administrative expenses	**559,827**	624,672
Total deductions	**8,972,396**	8,995,722
Net change	**4,086,342**	12,813,752
Transfers out to a successor plan	**(100,697,074)**	-
Net assets available for benefits:		
Beginning of year	**96,610,732**	83,796,980
End of year	**$ -**	$ 96,610,732

See accompanying notes.

Notes to Financial Statements

1. Description of Plan

The following description of the North State Communications Retirement 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 noncontributory defined benefit plan covering employees of North State Communications (the "Company"), which was acquired by MTN Infrastructure Top Co, Inc. (d/b/a Segra) on May 18, 2020, who meet certain eligibility requirements, utilizing the frozen initial liability method for valuations of pension benefits. Through April 4, 2012, employees became eligible to become participants following the later of the completion of a qualified year of service or the attainment of age twenty-one. In April 2012, the Company's Board of Directors voted to discontinue the Plan for employees hired or rehired after April 4, 2012. The North State Communications Advisory Committee of the Company controls and manages the operation and administration of the Plan. Brank Banking and Trust ("BB&T") served as the trustee of the Plan (the "trustee"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Plan status

As of December 31, 2020, as a result of the sale of the Company, the Plan was merged into the Lumos Networks Retirement Plan ("Lumos Plan"). All assets were transferred into the Lumos Plan and participant benefits continued under the provisions of the Lumos Plan.

Funding

Contributions to the Plan are made by the Company in amounts sufficient to fund the Plan's current service cost on a current basis and to fund the initial past service costs over a period from 10 to 40 years. The Company contributed approximately $1.2 million and $4.3 million for the years ended December 31, 2020 and 2019, respectively, of which approximately $2.0 million was included in employer contributions receivable as of December 31, 2019. Funding in the amount of approximately $1 million was deposited into the Lumos Networks Retirement Plan subsequent to year end to satisfy the ERISA minimum funding requirement for the 2020 Plan year. The Company's contributions for 2020 and 2019 met or exceeded the ERISA minimum funding requirement for the 2020 and 2019 Plan years.

Pension benefits

Participants are generally entitled to an annual retirement benefit beginning at age 65. The annual benefit payable is equal to (a) the sum of 1.3% of the annual average earnings for the previous 60 consecutive calendar months out of the last 120 months which produce the highest average, plus (b) 0.65% of excess earnings over a specified compensation multiplied by the number of years of credited service, not to exceed 35 years. Participants who met certain age and service requirements as of January 1, 2007, became grandfathered in their pension benefits and are eligible to retire early without actuarial reduction for early commencement upon satisfaction of: (a) attainment of age 60 and 20 years of vesting service; or (b) attainment of age 55 and 25 years of vesting service; or (c) 30 years of vesting service. Non-grandfathered participants electing to retire before age 65 are subject to reduced benefits in accordance with the plan document. Benefits are payable under various annuity options specified in the Plan or by lump-sum distribution for benefits of $1,000 or less. Effective January 1, 2016, the Plan was amended to increase the lump-sum distribution threshold for benefits to $50,000 or less.

Effective January 1, 2011, the Plan was amended to reduce future annual pension benefits from 1.3% to 1.0% of the annual average earnings used to calculate the benefit payable. Participants who, as of January 1, 2011, had (a) achieved at least 20 years of service or (b) the sum of their exact age and years of service equals or exceeds 65 were grandfathered into the existing pre-amendment formula. In addition, the amendment excluded overtime earnings from the definition of compensation used to determine benefit payments.

Effective December 31, 2013, the Plan was amended to freeze the Plan's benefit accruals. As a result, a participant's individual retirement benefit may not exceed the participant's frozen accrued benefit as of December 31, 2013. Credited service earned by an employee after this date is disregarded, and in no event, may a participant's credited service exceed the participant's cumulative credited service as of this date. However, individuals over the normal retirement age of 65 who continue employment with the Company continue to receive an increase in accrued benefits until they are terminated or retire. Employees not already participating as of December 31, 2013 became formally excluded from future participation in the Plan.

Death and disability benefits

If a participant dies after being married for at least one year and after satisfying the vesting requirements, the surviving spouse will receive a survivor benefit. If the participant dies after satisfying the requirements for early retirement, the survivor benefit, commencing immediately, is equal to that which would have been paid had the employee retired on the first day of the month in which death occurred and had elected a joint and 100% survivor annuity option. If the participant dies prior to satisfying the requirements for early retirement, the survivor benefit, beginning when the participant would have reached earliest retirement age, is equal to that which would have been paid if the participant had terminated at the date of death, lived to the earliest retirement age, and then retired with a 50% joint and survivor benefit in effect. No disability benefits are payable under the Plan.

Vesting

Participants with less than five years of service have no vesting in their accrued benefits. Participants with five or more years of service are fully vested in their accrued benefits.

2. Summary of Significant Accounting Policies

Basis of accounting

The financial statements of the Plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Estimates

The preparation of financial statements in conformity with GAAP requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets and the actuarial present value of accumulated plan benefits at the date of the financial statements during the reported period. Actual results could differ from those estimates.

Cash and cash equivalents

Cash equivalents consist of funds held in money market accounts.

Investment valuation and income recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Plan management determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for discussion of fair value measurements.

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

Payment of benefits

Benefits are recorded upon distribution.

Administrative expenses

The Plan paid approximately $177,000 and $253,000 for investment, actuarial, and accounting services during 2020 and 2019, respectively. The Plan also paid PBGC insurance premiums of approximately $383,000 and $372,000 for 2020 and 2019, respectively. Certain administrative functions are performed by employees of the Company. No such employee receives compensation from the Plan.

Subsequent events

The Plan has evaluated subsequent events through October 12, 2021, the date the financial statements were available to be issued.

3. Unaudited Information Certified by the Trustee

The accompanying financial statements include the following unaudited information as of and for the years ended December 31, 2020 and 2019, that was obtained from data prepared and certified to be complete and accurate by the Plan's trustee.

	2020	**2019**
Fair Value of investments:		
Cash and cash equivalents	**$ -**	$ 4,047,170
Mutual funds and exchange-traded funds	**$ -**	$ 46,997,083
U.S Government securities	**$ -**	$ 10,883,571
Corporate, municipal, and foreign bonds and notes	**$ -**	$ 25,120,062
Additions to net assets attributed to:		
Net appreciation in fair value of investments	**$ 9,825,760**	$ 12,169,058
Interest and dividend income	**$ 1,750,075**	$ 3,336,614

4. Fair Value Measurements

Fair value, as defined under GAAP, is an exit price representing 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. GAAP establishes a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. These tiers include:

Level 1: Observable inputs such as quoted prices in active markets.

Level 2: Inputs other than quoted prices in active markets that are either directly or indirectly observable.

Level 3: Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities, and their placement within the fair value hierarchy levels.

There have been no changes in the methodologies used at December 31, 2020 and 2019. The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds, exchange-traded funds, and U.S. Government securities
Mutual funds, exchange-traded funds, and U.S. Government securities are publicly traded investments and are valued daily at the closing price reported on the active market on which the funds are traded.

Cash and cash equivalents
Cash and cash equivalents are valued at cost which approximates fair value.

North State Communications Common and Preferred Stock
The fair value of North State Communications common and preferred stock is determined using the weighted average stock prices for transactions in the last 30 days of the year.

Corporate, municipal, and foreign bonds and notes
The fair value of corporate, municipal, and foreign bonds and notes is derived from quoted market prices of similar assets.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets accounted for at fair value on a recurring basis as of December 31, 2019:

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 4,047,170	$ -	$ -	$ 4,047,170
Mutual funds	46,997,083	-	-	46,997,083
U.S. Government securities	10,883,571	-	-	10,883,571
Corporate, municipal, and foreign bonds and notes	-	25,120,062	-	25,120,062
North State Telecommunications Corporation common and preferred stock	-	7,213,116	-	7,213,116
Total assets in the fair value hierarchy	$ 61,927,824	$ 32,333,178	$ -	$ 94,261,002

There were no investments required to be categorized within the fair value hierarchy at December 31, 2020.

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

5. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable to the Plan. Plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on the actuarial equivalent of the balance of the participant's account as of the end of the month before the participant's termination of service. Benefits payable under all circumstances (retirement, death, and termination of employment) are included in accumulated benefits, to the extent they are deemed attributable to employee service rendered to the valuation date. The actuarial value of accumulated plan benefits is determined by the Plan's actuary.

The actuarial present value of accumulated plan benefits as of January 1, 2020 and 2019 (the latest valuation dates available) are summarized as follows:

	2020	2019
Vested benefits:		
Participants currently receiving payments	**$ 83,282,735**	$ 85,702,381
Other participants	**16,035,833**	16,603,803
Non-vested benefits	**44,406**	33,121
Total	**$ 99,362,974**	$ 102,339,305

The changes in the actuarial present value of accumulated plan benefits as of January 1, 2020 and 2019 are attributed to the following:

	2020	2019
Beginning of year balance	**$ 102,339,305**	$ 104,686,094
Increase (decrease) during the year attributable to:		
Decrease in discount period at 6.00%	**5,892,885**	6,028,002
Benefits paid	**(8,371,050)**	(8,563,533)
Assumption changes	**(272,994)**	(244,107)
Benefits accrued and experience gain (loss)	**(225,172)**	432,849
Net decrease	**(2,976,331)**	(2,346,789)
End of year balance	**$ 99,362,974**	$ 102,339,305

Significant assumptions used by the enrolled actuary in the valuations as of January 1, 2020 and 2019 in determining the forgoing information include:

	2020	2019
Discount rate	**6.00%**	6.00%
Expected return on assets	**6.00%**	6.00%
Mortality	**2014 RP projected using 2019-MP**	2014 RP projected using 2018-MP
Termination	**Graduated rates**	Graduated rates
Retirement	**Graduated rates**	Graduated rates

The Plan elected to amortize the 2010 shortfall amortization base over a 15-year period instead of the prior 7-year period as permitted by the Pension Relief Act of 2010. The change increased the actuarial present value of accumulated benefits by $5,892,885 and $6,028,002 at January 1, 2020 and 2019, respectively.

The discount rate was 6% for the 2020 and 2019 Plan years. The expected rate of return on Plan assets was 6% for the 2020 and 2019 Plan years. The interest and mortality rates assumed are consistent with the rates prescribed by the U.S. Treasury Department. A non-prescribed change affecting the 2020 Plan year included updating the mortality table to reflect the 2014 Retirement Plan ("RP") table projected using the 2019 Mortality Projection ("MP") mortality improvement scale. For the 2019 Plan year, the mortality table was based on the 2014 RP table projected using the 2018 MP mortality improvement scale. The total impact of the above listed changes decreased the actuarial present value of accumulated benefits by $(272,994) and $(244,107) at January 1, 2020 and 2019, respectively.

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

6. Exempt Party-in-Interest Transactions

As of December 31, 2019, Plan investments included shares of North State Communications common and preferred stock, as well as investments, that were managed by BB&T. The Company's common stock reported on the Statement of Net Assets Available for Benefits was $7,205,320 at December 31, 2019, which represented 91,353 shares. The Company's preferred stock reported on the Statement of Net Assets Available for Benefits was $7,796 at December 31, 2019, which represented 162 shares. Fees paid to BB&T totaled approximately $66,000 and $29,000 in 2020 and 2019, respectively. These transactions qualify as exempt party-in-interest transactions.

7. Tax Status

The Plan obtained its latest determination letter on June 4, 2013, in which the Internal Revenue Service (the "IRS") stated that the Plan, as then designed, was in compliance with the applicable requirement of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, the plan administrator believes that the Plan was qualified and the related trust was tax exempt as of the financial statement date.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that, as of December 31, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the accompanying 2020 and 2019 financial statements to Schedule H of Form 5500 as of December 31:

	2020	2019
Net assets available for benefits per the financial statements	$ -	$ 96,610,732
Adjustment to contributions receivable	-	(2,840)
Net assets available for benefits per the Form 5500	$ -	$ 96,607,892

The following is a reconciliation of the net change per the financial statements for the year ended December 31, 2020 to Schedule H of Form 5500.

Net change in net assets per the financial statements	$ 4,086,342
Prior year adjustment to contributions receivable	2,840
Net income per Form 5500	$ 4,089,182

9. Risks and Uncertainties

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

Attachment to 2020 Form 5500
Schedule SB, line 26 – Schedule of Active Participant Data

Plan Name: North State Communications Retirement Plan **EIN:** 56-0341710
Plan Sponsor: North State Communications **PN:** 001

Schedule of Active Participant Data

Years of credited service

	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Attained Age	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Under 25											
25 to 29		1									1
30 to 34		5	4								9
35 to 39		3	11	4							18
40 to 44		5	7	6	2						20
45 to 49		4	8	7	6						25
50 to 54		5	2	9	3	2	3				24
55 to 59		6	4	10	9	2	3	2	1		37
60 to 64		4	6	3	2		1	2	5		23
65 to 69			1						1	1	3
70 & up		1								1	2
Total		34	43	39	22	4	7	4	7	2	162

Plan Name:	North State Communications Retirement Plan	**EIN:**	56-0341710
Plan Sponsor:	North State Communications	**PN:**	001

Actuarial Cost Method

Funding Target / Target Normal Cost

An Actuarial Cost Method is an allocation of the expected cost of a pension plan on a year-by-year basis. The primary objective of an Actuarial Cost Method is to accumulate enough assets prior to each participant's retirement to provide the promised pension benefits.

The Pension Protection Act of 2006 (PPA) mandates the use of the Traditional Unit Credit Actuarial Cost Method. Under this method, the accrued benefit is estimated based upon service and, if applicable, earnings as of the valuation date. The Funding Target is equal to the actuarial present value of all accrued benefits as of the valuation date. The Target Normal Cost is the actuarial present value, as of the valuation date, of the expected increases in projected accrued benefit attributable to service expected to be completed during the plan year (i.e. if applicable, one year's salary growth is reflected in the determination of Target Normal Cost).

For tax deduction purposes, the Funding Target may reflect the value of future pay increases on accrued benefits, if applicable.

PPA Discounting Method

The plan sponsor is responsible for making the following decisions with regard to the discounting method:

- Full yield-curve spot rates or a segmented yield-curve of 24-month average rates of corporate bond rates
- If the segmented yield curve is used, the rates as of the month of the valuation may be used or as of a lookback month up to 4 months prior to the valuation date (the full yield curve must use the rates as of the month of the valuation starting in 2010)

For purposes of this valuation, the following discounting method was used and is assumed to be approved by the plan sponsor:

- Segment rates through the month of August preceding the valuation date adjusted such that each segment rate is no less than the applicable minimum percentage* of the corresponding 25-year average segment rate (subject to a 5% floor) for the calendar year that contains the first day of the plan year and no more than the applicable maximum percentage** of that 25-year average segment rate.

Asset Valuation Method

The Plan Assets for purposes of this Actuarial Valuation are valued under the asset averaging method, including, if applicable, discounted receivable contributions. The value of plan assets is set equal to the average of the fair market value of assets on the valuation date and the adjusted fair market value of assets (including expected earnings) determined for the two earlier annual determination dates. Expected earnings are calculated using a rate no greater than the third segment rate of the segmented yield-curve in effect at the beginning of each valuation year. The resulting average value must be constrained so that it falls between 90 and 110 percent of the fair market value of assets on the valuation date.

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* The applicable minimum percentage is 95% through 2025, 90% in 2026, 85% in 2027, 80% in 2028, 75% in 2029 and 70% in 2030 and later.

** The applicable maximum percentage is 105% through 2025, 110% in 2026, 115% in 2027, 120% in 2028, 125% in 2029 and 130% in 2030 and later.

Plan Name:	North State Communications Retirement Plan	**EIN:**	56-0341710
Plan Sponsor:	North State Communications	**PN:**	001

Actuarial Assumptions

Actuarial Assumptions

Economic Assumptions

PPA Segment Rates	Funding Target	Maximum Deductible and PBGC Funding Target
- Segment 1: Up to Year 5	4.75%	2.79%
- Segment 2: Years 5-20	5.50%	3.92%
- Segment 3: Years 20+	6.27%	4.38%

Funding Assumed Investment Return	6.00%
ASC960 Assumed Investment Return	6.00%

Annual rates of increase:

- Salaries	N/A
- Future Social Security Wage Bases	N/A
- Future Social Security Cost of Living Increases	N/A
- Statutory Limits on Compensation and Benefits	N/A

Demographic Assumptions

Mortality:

- Funding Target / PBGC	IRS 2020 Static Mortality Table
- ASC 960	RP-2014 Mortality Table, Total Dataset (base year 2006) with Generational Projection (Scale MP-2019)

Termination: T-1 Graduated Rates. Sample rates as follows:

Age	Rate
25	4.89%
30	3.70%
35	2.35%
40	1.13%
45	0.26%
50	0.00%
55	0.00%

Actuarial Assumptions

Retirement Age:

Age	Rate	Age	Rate
50-54	5.00%	60	15.00%
55	5.00%	61	20.00%
56	5.00%	62	25.00%
57	7.00%	63	30.00%
58	9.00%	64	35.00%
59	11.00%	65+	100.00%

Disability: None

Miscellaneous Assumptions

Form of Payment: Life Annuity

Expenses: Equal to prior year's actual expenses

Percent Married: 75%

Spouse's Age: Wives assumed to be 4 years younger than husband

Supplementary Information

DHG is registered in the U.S. Patent and Trademark Office to Dixon Hughes Goodman LLP.

North State Communications Retirement Plan
Schedule of Reportable Transactions
Schedule H, Line 4j
EIN: 56-0341710 **Plan: 001**
For the Year Ended December 31, 2020

(a) Identity of Party Involved	(b) Description of Investment of Asset (Include Interest Rate and Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Category (i) - Single transactions in excess of five percent of beginning plan assets:						
Vanguard	Institutional Index	$ -	$ 18,537,616	$ 11,368,341	$ 18,537,616	$ 7,169,275
Neuberger Berman	High Income Bond Fund	-	5,336,607	5,585,396	5,336,607	(248,789)
American Funds	EuroPacific Growth Fund	-	7,672,701	5,617,979	7,672,701	2,054,722
Vanuard	Total Index ST IDX-ADM	-	7,534,399	6,438,947	7,534,399	1,095,452
Wilmington Trust	Collective Investment DB Growth Portfolio Instl Cl	58,000,000	-	58,000,000	58,000,000	-
Wilmington Trust	Collective Investment DB Growth Portfolio Instl Cl	-	58,774,965	58,000,000	58,774,965	774,965
North State Telecommunications Corp	Common Stock	-	7,324,667	9,604,838	7,324,667	(2,280,171)
Category (iii) - Series of transactions in excess of five percent of beginning plan assets:						
MassMutual	Select Mid Cap Growth Equity II Fund	996,364	-	996,364	996,364	-
MassMutual	Select Mid Cap Growth Equity II Fund	-	4,214,242	3,100,315	4,214,242	1,113,927
Vanguard	Institutional Index	3,674,205	-	3,674,205	3,674,205	-
Vanguard	Institutional Index	-	18,537,616	11,368,341	18,537,616	7,169,275
Neuberger Berman	High Income Bond Fund	520,359	-	520,359	520,359	-
Neuberger Berman	High Income Bond Fund	-	5,336,607	5,585,396	5,336,607	(248,789)
American Funds	EuroPacific Growth Fund	-	7,842,701	5,764,671	7,842,701	2,078,030
Vanuard	Total Index ST IDX-ADM	85,403	-	85,403	85,403	-
Vanuard	Total Index ST IDX-ADM	-	7,534,399	6,438,947	7,534,399	1,095,452
Wilmington Trust	Collective Investment DB Growth Portfolio Instl Cl	58,000,000	-	58,000,000	58,000,000	-
Wilmington Trust	Collective Investment DB Growth Portfolio Instl Cl	-	58,774,965	58,000,000	58,774,965	774,965
North State Telecommunications Corp	Common Stock	-	7,324,667	9,604,838	7,324,667	(2,280,171)

There were no category (ii), or (iv) reportable transactions during 2020.
Columns (e) and (f) are omitted as items are not applicable.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2020

This Form is Open to Public Inspection

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/18/2020

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
NORTH STATE COMMUNICATIONS RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
NORTH STATE TELEPHONE COMPANY D/B/A NORTH STATE COMMUNICATIONS

D Employer Identification Number (EIN)
56-0341710

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2020

2 Assets:

a Market value	**2a**	96,507,666
b Actuarial value	**2b**	91,871,012

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	353	86,096,932	86,096,932
b For terminated vested participants	80	4,138,988	4,138,988
c For active participants	162	12,107,870	12,209,934
d Total	595	102,343,790	102,445,854

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.63%
6 Target normal cost	**6**	445,297

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

CR

Signature of actuary

September 27, 2021
Date

CORINNE RUSSELL
Type or print name of actuary

2007037
Most recent enrollment number

JOHN HANCOCK
Firm name

781-619-2000
Telephone number (including area code)

200 Berkeley Street

Boston MA 02116
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	2,657,769
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	731,084
9	Amount remaining (line 7 minus line 8)	0	1,926,685
10	Interest on line 9 using prior year's actual return of 21.48%	0	413,852
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.41%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2,340,537

Part III Funding Percentages

14	Funding target attainment percentage	**14**	87.39%
15	Adjusted funding target attainment percentage	**15**	87.39%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	**16**	80.34%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	**17**	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/21/2020	1,237,695	0			
01/13/2021	934,600	0			
		Totals ► 18(b)	2,172,295	18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contributions from prior years	**19a**	0
b	Contributions made to avoid restrictions adjusted to valuation date	**19b**	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	**19c**	2,056,852

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
4.75 %	5.50 %	6.27%	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	445,297
b Excess assets, if applicable, but not greater than line 31a	**31b**	

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	12,915,379	1,212,582
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	1,657,879

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement		1,657,879	1,657,879

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	2,056,852

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	2,056,852
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	1,657,879
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☒ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☒ 2010 ☒ 2011

Attachment to 2020 Form 5500
Schedule SB, line 22 – Description of Weighted Average Retirement Age

Plan Name: North State Communications Retirement Plan **EIN:** 56-0341710
Plan Sponsor: North State Communications **PN:** 001

Description of Weighted Average Retirement Age

Age	Expected Active Headcount	Retirement Rate	Expected Retirements	Weighted Age
50	69.9187	0.0075	0.5217	26.0847
51	71.3226	0.0076	0.5432	27.7034
52	74.6955	0.0075	0.5597	29.1062
53	78.0384	0.0101	0.7913	41.9393
54	82.1349	0.0142	1.1701	63.1874
55	94.8346	0.0260	2.4631	135.4726
56	97.2073	0.0281	2.7299	152.8729
57	100.2917	0.0409	4.1059	234.0380
58	101.9743	0.0515	5.2546	304.7682
59	105.4784	0.0624	6.5865	388.6047
60	106.6120	0.1234	13.1603	789.6162
61	97.1366	0.1612	15.6618	955.3698
62	88.1491	0.1855	16.3488	1,013.6232
63	76.4650	0.2110	16.1349	1,016.4972
64	62.9986	0.2243	14.1314	904.4120
65	50.5531	1.0000	50.5531	3,285.9546
66	1.0000	1.0000	1.0000	66.0000
67	1.0000	1.0000	1.0000	67.0000
68	0.0000	1.0000	0.0000	0.0000
69	0.0000	1.0000	0.0000	0.0000
70	1.0000	1.0000	1.0000	70.0000
71	0.0000	1.0000	0.0000	0.0000
72	1.0000	1.0000	1.0000	72.0000
Total			154.7165	9,644.2504
Average				62.34

Plan Name:	North State Communications Retirement Plan	**EIN:**	56-0341710
Plan Sponsor:	North State Communications	**PN:**	001

Summary of Plan Provisions

Summary of Plan Provisions

The North State Communications Retirement Plan

Effective Dates:	February 10, 1944. Last restated effective January 1, 2016 and last amended on January 1, 2016.
Plan Year:	The 12-consecutive month period beginning each January 1.
Participation:	Each Employee becomes a Participant on the first of the month on or next following the attainment of age 21 years and completion of 1 Qualifying Year of Service. Effective April 4, 2012, exclude employees hired or rehired after April 4, 2012 from participation in the plan. Effective, December 31, 2013, participation and future benefit accruals are frozen for all employees.
Compensation:	Compensation is the total Compensation received by the Participant for the prior Plan Year including earnings deferred under qualified Employer sponsored plans. Excluded are amounts for other fringe benefits, moving expenses, automobile allowances, overtime (effective January 1, 2011), taxable values of Employer paid group term life insurance, and Christmas Annual Bonuses (effective January 1, 2014).
Average Compensation:	Highest average using 60 full consecutive calendar months within the last 120 months.
Qualifying Year of Service:	An eligibility computation period during which an employee completes at least 1,000 hours of Service.
Service:	Service prior to January 1, 1976: all completed years and months of continuous Service. Service on or after January 1976: calendar years with at least 1,000 Hours of Service.
Vesting Service:	An employee earns Vesting Service credit for all years of Service as defined above.
Benefit Service:	Except as noted below, an employee earns Benefit Service credit for all years of Service as defined above. Service after December 31, 2013 shall be disregarded.

Social Security Covered Compensation:	The average of the Social Security Maximum Taxable Wage Bases for the 35-year period ending with and including the year in which Social Security Retirement Age is attained, rounded to the next lower multiple of $12. Social Security Retirement Age is 65 for employees born before 1938, 67 for those born after 1954, and 66 for those born in intermediate years.
Accrued Benefit:	Effective, December 31, 2013, benefit accruals ceased under the plan. In no event will a participant's normal retirement benefit be less than their frozen accrued benefit at December 31, 2013. The amount of Annual Retirement Benefit payable in the Normal Annuity Form is calculated in the amount equal to the sum of (1) + (2) below: (1) Grandfathered Group: (a) Participants who have completed at least 20 Years of Vesting Service or the sum of the Participant's exact age and completed Years of Vesting Service shall equal at least 65, as of January 1, 2011: • 1.3% of Final Average Compensation (FAC), multiplied by the number of Years of Benefit Service, Non-Grandfathered Group: (b) Participants who have not completed 20 Years of Vesting Service or the sum of the Participant's exact age and completed Years of Vesting Service is less than 65, as of January 1, 2011: • 1.3% of Final Average Compensation (FAC), multiplied by the number of Years of Benefit Service earned as of January 1, 2011, plus • 1.0% of Final Average Compensation (FAC), multiplied by the number of Years of Benefit Service earned after January 1, 2011, (2) For all Participants • 0.65% of Final Average Compensation (FAC) in excess of the applicable Covered Compensation, multiplied by the number of Years of Benefit Service, subject to a maximum of 35 years. The Accrued Benefit, with respect to the formula above, as of any date, is calculated using actual Years of Benefit Service and Final Average Compensation as of the date of determination.

Summary of Plan Provisions

Normal Retirement Benefit:	Eligibility The Normal Retirement Date for each Participant is the first of the month coincident with or next following the later of the attainment of age 65, or the 5-year anniversary of Plan Participation. Monthly Benefit The Accrued Benefit calculated at the normal retirement date. Effective, December 31, 2013, benefit accrual ceased under the plan. In no event will participants normal retirement benefit be less than their frozen accrued benefit at December 31, 2013.
Delayed Retirement Benefit:	Eligibility Eligibility is the first of the month next following the actual date the Participant terminates employment after Normal Retirement Date. Monthly Benefit The benefit is based on Years of Benefit Service and Final Average Compensation as of the actual retirement date or the Actuarial Equivalent of the Normal Retirement Benefit, if greater.
Early Retirement Benefit:	Eligibility Eligibility is the earlier of (a) attainment of age 60 and the completion of 20 Years of Vesting Service, or (b) attainment of age 55 and the completion of 25 Years of Vesting Service, or (c) completion of 30 Years of Vesting Service. Monthly Benefit Benefit (Grandfathered Group) The Early Retirement Benefit is the Accrued Benefit unreduced for early commencement. The integrated portion of Accrued Benefit is reduced to comply with permitted disparity rules. (This applies to all early retirement calculations including those without early reductions). The Grandfathered Group is defined as Participants who, as of January 1, 2007, had either 20 Years ofVesting Service or whose age plus Years of Vesting Service was at least 65.

Summary of Plan Provisions

Early Retirement Benefit:	Monthly Benefit Benefit (Non-Grandfathered Group) The Early Retirement Benefit is the greater of the Participant's Accrued Benefit as of January 1, 2007 or the Accrued Benefit actuarially reduced. The reduction is 1/180 for each of the first 60 months and 1/360 for each of the next 60 months by which the benefit commences prior to Normal Retirement Date.
Disability Benefit:	None.
Termination Benefit:	Eligibility Termination of employment prior to retirement with at least five years of Vesting Service. Monthly Benefit The vested Accrued Benefit commences in full at age 65. If the Participant had met the service requirements for Early Retirement, but not the age requirement, at the election of the Participant, a reduced benefit would be payable at the Early Retirement Age.
Pre-Retirement Death Benefit:	Eligibility The deceased participant must have attained a vested right to a benefit from the plan prior to their date of death and a minimum of 1 year of marriage. Monthly Benefit for Participants who Die Prior to their Earliest Retirement Date The monthly benefit payable to the participant's surviving beneficiary is a lifetime annuity commencing at the earliest date that the participant would have been eligible to retire. The benefit is equal to the benefit that would be paid to the beneficiary, calculated as if the participant separated from service on the date of death, survived to the earliest retirement age under the plan, retired electing a 50% joint & survivor annuity, and died the next day. In lieu of monthly payments, the beneficiary may elect to receive their benefit in the form of a one-time lump sum payment if the Actuarially Equivalent present value of the Survivor's Benefit is $1,000 or less.

Summary of Plan Provisions

Pre-Retirement Death Benefit:	Monthly Benefit for Participants who Die After their Earliest Retirement Date The monthly benefit payable to the participant's surviving beneficiary is a lifetime annuity commencing on the first of the month after the participant's death. The benefit is equal to the benefit that would be paid to the beneficiary, calculated as if the participant retired on the date of death, elected a 100% joint and survivor annuity, and died the next day. In lieu of monthly payments, the beneficiary may elect to receive their benefit in the form of a lump sum payment if the Actuarially Equivalent present value of the Survivor's Benefit is $1,000 or less.
Normal Form of Benefit:	Unmarried: Single Life Annuity Married: 50% Joint and Survivor Annuity
Optional Forms:	Life annuity, 60, 120, 180, or 240 month certain and life annuity, 50%, 75%, or 100% joint & survivor annuity, Lump Sum if present value is $50,000 or less.

Plan Name: North State Communications Retirement Plan **EIN:** 56-0341710
Plan Sponsor: North State Communications **PN:** 001

Schedule of Amortization Bases

Type of Base		Present Value of Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall		12,915,379	1/1/2020	15	1,212,582
	Total	12,915,379			1,212,582

Plan Name:	North State Communications Retirement Plan	**EIN:**	56-0341710
Plan Sponsor:	North State Communications	**PN:**	001

Changes in Actuarial Assumptions and Methods

There were no changes in assumptions and methods other than those mandated to remain in compliance with IRS standards (specifically, the interest discounting rates and mortality table).