

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 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A	This return/report is for: ☐ a multiemployer plan ☒ a single-employer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a DFE (specify) _____
B	This return/report is: ☐ the first return/report ☐ an amended return/report ☐ the final return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ special extension (enter description) ☐ automatic extension ☐ the DFVC program
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan <u>CARROLL COUNTY BANCSHARES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>
1b	Three-digit plan number (PN) ▶ <u>001</u>
1c	Effective date of plan <u>01/01/1992</u>
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) <u>CARROLL COUNTY BANCSHARES, INC.</u> <u>126 WEST 6TH STREET</u> <u>CARROLL, IA 51401</u>
2b	Employer Identification Number (EIN) <u>42-1113591</u>
2c	Plan Sponsor's telephone number <u>712-792-3567</u>
2d	Business code (see instructions) <u>522110</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/16/2022	JEFFREY SCHARFENKAMP
	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

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

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	249
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)	190
a(2) Total number of active participants at the end of the plan year		6a(2)	184
b Retired or separated participants receiving benefits.....		6b	30
c Other retired or separated participants entitled to future benefits		6c	32
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	246
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	2
f Total. Add lines 6d and 6e		6f	248
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	242
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	14
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2H 2I 2J 2K 2P 3H 2E 3I			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (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) ☒ <u>1</u> 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 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021	
A Name of plan CARROLL COUNTY BANCSHARES, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CARROLL COUNTY BANCSHARES, INC.	D Employer Identification Number (EIN) 42-1113591

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

(a) Name of insurance carrier NATIONWIDE LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
31-4156830	66869	GAP-CP-KG3W	197	01/01/2021	12/31/2021

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end	4	
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b	Premiums paid to carrier	6b	
c	Premiums due but unpaid at the end of the year	6c	
d	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b	Balance at the end of the previous year	7b	530232
c	Additions: (1) Contributions deposited during the year	7c(1)	26547
	(2) Dividends and credits.....	7c(2)	0
	(3) Interest credited during the year.....	7c(3)	9541
	(4) Transferred from separate account.....	7c(4)	4800
	(5) Other (specify below)	7c(5)	
	(6) Total additions	7c(6)	40888
d	Total of balance and additions (add lines 7b and 7c(6))	7d	571120
e	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	0
	(2) Administration charge made by carrier.....	7e(2)	2229
	(3) Transferred to separate account.....	7e(3)	
	(4) Other (specify below)	7e(4)	
	(5) Total deductions	7e(5)	2229
f	Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	568891

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	0
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

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

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan CARROLL COUNTY BANCSHARES, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 CARROLL COUNTY BANCSHARES, INC.	D Employer Identification Number (EIN) 42-1113591	

Part I	Service Provider Information (see instructions)
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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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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)

NATIONWIDE

ONE NATIONWIDE PLAZA
COLUMBUS, OH 43215

(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	57746	Yes ☒ No ☐	Yes ☐ No ☒	3282	Yes ☐ No ☒

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

IFP ADVISORS, INC.

DBA INDEPENDENT FINANCIAL PARTNERS
3030 N ROCKY POINT DRIVE SUITE 700
TAMPA, FL 33607

(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?
51	NONE	37971	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

NEWPORT GROUP, INC

5700 WESTOWN PARKWAY, STE 100
WEST DES MOINES, IA 50266

(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?
16	NONE	13855	Yes ☐ No ☒	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)

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(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
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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 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>		
A Name of plan <u>CARROLL COUNTY BANCSHARES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARROLL COUNTY BANCSHARES, INC.</u>	D Employer Identification Number (EIN) <u>42-1113591</u>	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	704431	819851
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	40000	139554
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	61494	22052
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	13889980	15521255
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	568891
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1) 20261911	21710239
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f 34957816	38781842
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h 1512706	1096667
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k 1512706	1096667
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l 33445110	37685175

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.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A) 819851	
	(B) Participants	2a(1)(B) 1194644	
	(C) Others (including rollovers).....	2a(1)(C) 34567	
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)	2049062
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A) 832	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E) 2863	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)	3695
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B) 366975	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)	366975
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B) 1448328	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	

		(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)		2177524
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		6045584
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1721984	
(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)		1721984
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		45270
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)	294	
(3) Investment advisory and management fees.....	2i(3)	37971	
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		38265
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1805519
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		4240065
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☒ 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: FORVIS, LLP

(2) EIN: 44-0160260

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

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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

	Yes	No	Amount
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?	X		6000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
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?		X	
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?		X	
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.)	X		
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.)		X	
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?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

5c 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 _____.

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 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>CARROLL COUNTY BANCSHARES, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARROLL COUNTY BANCSHARES, INC.</u>	D Employer Identification Number (EIN) <u>42-1113591</u>

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	<u>0</u>
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): <u>33-6134835</u> <u>31-1592130</u> Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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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
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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.
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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

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

Schedule R (Form 5500) 2021
v. 201209

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 _____

Carroll County Bancshares, Inc.
Employee Stock Ownership Plan
EIN 42-1113591 PN 001

Independent Auditor's Report

December 31, 2021 and 2020

**Carroll County Bancshares, Inc. Employee Stock
Ownership Plan
December 31, 2021 and 2020**

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Supplemental Schedule

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021	21
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Independent Auditor's Report

Audit Committee
Carroll County Bancshares, Inc. Employee Stock Ownership Plan
Carroll, Iowa

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit for the 2021 Financial Statements

We have performed an audit of the financial statements of Carroll County Bancshares, Inc. Employee Stock Ownership Plan (Plan), an employee benefit plan subject to the *Employee Retirement Income Security Act of 1974* (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 Financial Statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in *Note 4* to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of Carroll County Bancshares, Inc. Employee Stock Ownership Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Carroll County Bancshares, Inc. Employee Stock Ownership Plan's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Carroll County Bancshares, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carroll County Bancshares, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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

Other Matters

2021 Supplemental Schedule Required by ERISA

The supplemental schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

- The information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of Carroll County Bancshares, Inc. Employee Stock Ownership Plan. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated September 20, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

FORVIS, LLP

Springfield, Missouri
September 8, 2022

Federal Employer Identification Number: 44-0160260

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Statement of Net Assets Available for Benefits December 31, 2021

Assets

	ESOP Account			401(k)	
	Allocated	Unallocated	Total	Account	Total
Investments, at Fair Value					
Money market funds	\$ 139,554	\$ -	\$ 139,554	\$ -	\$ 139,554
Mutual funds	-	-	-	15,521,255	15,521,255
Carroll County Bancshares, Inc. common stock, 4,893 shares	20,294,570	1,415,669	21,710,239	-	21,710,239
Total investments, at fair value	20,434,124	1,415,669	21,849,793	15,521,255	37,371,048
Investments, at Contract Value	-	-	-	568,891	568,891
Total investments	20,434,124	1,415,669	21,849,793	16,090,146	37,939,939
Receivables					
Employer contribution	819,851	-	819,851	-	819,851
Notes receivable from participants	-	-	-	22,052	22,052
Total receivables	819,851	-	819,851	22,052	841,903
Total assets	21,253,975	1,415,669	22,669,644	16,112,198	38,781,842
Liabilities					
Notes payable	-	1,096,667	1,096,667	-	1,096,667
Total liabilities	-	1,096,667	1,096,667	-	1,096,667
Net Assets Available for Benefits	<u>\$ 21,253,975</u>	<u>\$ 319,002</u>	<u>\$ 21,572,977</u>	<u>\$ 16,112,198</u>	<u>\$ 37,685,175</u>

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Statement of Net Assets Available for Benefits December 31, 2020

Assets

	ESOP Account			401(k)	
	Allocated	Unallocated	Total	Account	Total
Investments, at Fair Value					
Money market funds	\$ 40,000	\$ -	\$ 40,000	\$ -	\$ 40,000
Mutual funds	-	-	-	13,359,748	13,359,748
Carroll County Bancshares, Inc. common stock, 4,893 shares	18,437,053	1,824,858	20,261,911	-	20,261,911
Total investments, at fair value	18,477,053	1,824,858	20,301,911	13,359,748	33,661,659
Investments, at Contract Value	-	-	-	530,232	530,232
Total investments	18,477,053	1,824,858	20,301,911	13,889,980	34,191,891
Receivables					
Employer contribution	700,475	3,956	704,431	-	704,431
Notes receivable from participants	-	-	-	61,494	61,494
Total receivables	700,475	3,956	704,431	61,494	765,925
Total assets	19,177,528	1,828,814	21,006,342	13,951,474	34,957,816

Liabilities

Interest payable	-	3,956	3,956	-	3,956
Notes payable	-	1,508,750	1,508,750	-	1,508,750
Total liabilities	-	1,512,706	1,512,706	-	1,512,706
Net Assets Available for Benefits	<u>\$ 19,177,528</u>	<u>\$ 316,108</u>	<u>\$ 19,493,636</u>	<u>\$ 13,951,474</u>	<u>\$ 33,445,110</u>

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2021

	ESOP Account			401(k)	
	Allocated	Unallocated	Total	Account	Total
Investment Income					
Net appreciation in fair value of investments	\$ 1,317,886	\$ 130,442	\$ 1,448,328	\$ 2,177,524	\$ 3,625,852
Interest and dividends	367,807	-	367,807	2,863	370,670
Net investment income	1,685,693	130,442	1,816,135	2,180,387	3,996,522
Contributions					
Employer	819,851	-	819,851	-	819,851
Participants	-	-	-	1,194,644	1,194,644
Rollovers	-	-	-	34,567	34,567
Transfer of cash	-	457,352	457,352	-	457,352
Allocation of 121.62 shares of common stock of Carroll County Bancshares, Inc. at fair value	539,630	-	539,630	-	539,630
Total contributions	1,359,481	457,352	1,816,833	1,229,211	3,046,044
Total additions	3,045,174	587,794	3,632,968	3,409,598	7,042,566
Deductions					
Benefits paid to participants	511,375	-	511,375	1,210,609	1,721,984
Interest expense	-	45,270	45,270	-	45,270
Admin expense	-	-	-	38,265	38,265
Transfer of cash	457,352	-	457,352	-	457,352
Allocation of 121.62 shares of common stock of Carroll County Bancshares, Inc. at fair value	-	539,630	539,630	-	539,630
Total deductions	968,727	584,900	1,553,627	1,248,874	2,802,501
Net Increase	2,076,447	2,894	2,079,341	2,160,724	4,240,065
Net Assets Available for Benefits, Beginning of Year	19,177,528	316,108	19,493,636	13,951,474	33,445,110
Net Assets Available for Benefits, End of Year	<u>\$ 21,253,975</u>	<u>\$ 319,002</u>	<u>\$ 21,572,977</u>	<u>\$ 16,112,198</u>	<u>\$ 37,685,175</u>

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits Year Ended December 31, 2020

	ESOP Account			401(k)	
	Allocated	Unallocated	Total	Account	Total
Investment Income					
Net appreciation in fair value of investments	\$ 781,681	\$ 103,953	\$ 885,635	\$ 2,452,248	\$ 3,337,883
Interest and dividends	367,561	-	367,561	5,268	372,829
Net investment income	1,149,242	103,953	1,253,195	2,457,516	3,710,711
Contributions					
Employer	704,430	-	704,430	-	704,430
Participants	-	-	-	984,492	984,492
Rollovers	-	-	-	355,763	355,763
Transfer of cash	-	479,982	479,982	-	479,982
Allocation of 133.64 shares of common stock of Carroll County Bancshares, Inc. at fair value	553,406	-	553,406	-	553,406
Total contributions	1,257,836	479,982	1,737,818	1,340,255	3,078,073
Total additions	2,407,078	583,935	2,991,013	3,797,771	6,788,784
Deductions					
Benefits paid to participants	602,510	-	602,510	1,312,530	1,915,040
Interest expense	-	62,898	62,898	-	62,898
Admin expense	-	-	-	30,015	30,015
Transfer of cash	479,982	-	479,982	-	479,982
Allocation of 133.64 shares of common stock of Carroll County Bancshares, Inc. at fair value	-	553,406	553,406	-	553,406
Total deductions	1,082,492	616,304	1,698,796	1,342,545	3,041,341
Net Increase (Decrease)	1,324,586	(32,369)	1,292,217	2,455,226	3,747,443
Net Assets Available for Benefits, Beginning of Year	17,852,942	348,477	18,201,419	11,496,248	29,697,667
Net Assets Available for Benefits, End of Year	<u>\$ 19,177,528</u>	<u>\$ 316,108</u>	<u>\$ 19,493,636</u>	<u>\$ 13,951,474</u>	<u>\$ 33,445,110</u>

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 1: Description of the Plan

General

The following description of Carroll County Bancshares, Inc. Employee Stock Ownership Plan (Plan) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

The Plan is an employee stock ownership plan (ESOP) including a 401(k) arrangement sponsored by Carroll County Bancshares, Inc. (Company) for the benefit of its employees who have at least one month of service and are age 21 or older. The Plan is subject to the provisions of the *Employee Retirement Income Security Act of 1974* (ERISA). Nationwide Trust Company, FSB, (Nationwide) is the custodian of the Plan. The Plan is administered by the Company, who appointed three individuals to hold the office of Trustee.

Participant accounts are allocated between an ESOP and a 401(k) plan component. Participant deferrals are allocated to the 401(k) component, while employer contributions are allocated to the employee stock ownership component.

Unallocated and Allocated Shares

Plan borrowings are collateralized by the unallocated shares of common stock. The lender has no rights against shares once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2021 and 2020, and for the years then ended, present separately the assets and liabilities and changes therein pertaining to:

- (A) The accounts of employees with vested rights in allocated common stock (Allocated), and
- (B) Common stock not yet allocated to employees (Unallocated)

Eligibility

Employees of the Company and its participant subsidiaries are generally eligible to participate in the Plan on the plan entry date on which the participant completes one month of service or attains age 21. The plan entry dates are January 1 and July 1 of each plan year.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Contributions

The Plan permits eligible employees through a salary deferral election to have the Company make annual pretax contributions of up to 100 percent of eligible compensation. Employee rollover contributions are also permitted, but are not allowed to invest in company stock. In addition, Roth contributions are permitted. Participants who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Company discretionary and company matching contributions are discretionary as determined by the Company's Board of Directors. Contributions are subject to certain limitations. Forfeitures are allocated to participants based on a participant's share of the total compensation paid during that plan year to all participants in the Plan.

Participant Investment Account Options

For the 401(k) portion of the Plan, investment account options available include various funds. Each participant has the option of directing his contributions into any of the separate investment accounts, except for company stock, and may change the allocation daily.

Employer contributions to the Plan are invested in company stock and cash.

Participant Accounts

Each participant's 401(k) account is credited with the participant's contribution and plan earnings. Allocations are based on participant earnings or account balances, as defined. The benefits to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Each participant's stock account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' nonvested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

Vesting

Participants are immediately vested in their voluntary contributions and company matching contributions plus earnings thereon. Vesting in the Company's discretionary contribution portion of their accounts plus earnings thereon is based on years of continuous service. A participant is fully vested after six years of continuous service. The nonvested balance is forfeited upon termination of service. Forfeitures are allocated among active participants based upon compensation. Participants terminating due to normal retirement, death, or disability will be 100 percent vested.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Put Option

Under federal income tax regulations, the employer stock that is held by the Plan and its participants is not readily tradable on an established market or is subject to trading limitations and includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure the participant has the ability to ultimately obtain cash.

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to the participant's beneficiary or, if none, his or her legal representatives), becomes disabled, or otherwise terminates employment with the Company and its participating subsidiaries.

Distributions are made in cash or, if a participant elects, in the form of company common shares plus cash for any fractional share. During 2021 and 2020, there were no stock distribution elections made by the participants.

Diversification

Diversification is offered to participants with stock accounts who are approaching retirement age. Participants who are at least age 55, with at least 10 years of participation in the Plan, may elect to diversify a portion of their stock accounts. Diversification is offered to each eligible participant over a six-year period. A participant may diversify up to a cumulative 25 percent of the shares allocated to his or her stock account for five years and 50 percent in the sixth and final year.

Voting Rights

Each participant is entitled to exercise voting rights relating to certain matters as defined in the plan document attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated share for which a participant has not given instructions. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Participant Accounts and Forfeitures – Nonparticipant – Directed

Employer contributions and plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the plan year. At December 31, 2021, \$2,364 in cash and 1.3739 shares of Carroll County Bancshares, Inc. common stock were allocated to remaining participants. At December 31, 2020, \$2,139 in cash and 4.8872 shares of Carroll County Bancshares, Inc. common stock were allocated to remaining participants. Plan earnings are allocated to each participant's account based on the ratio of the participant's beginning of the year account balance to all participants' beginning of the year account balances.

Notes Receivable from Participants

For the 401(k) portion, the plan document includes provisions authorizing loans from the Plan to active eligible participants. Loans are made to any eligible participant demonstrating a qualifying need. The minimum amount of a loan shall be \$1,000. The maximum amount of a participant's loan is determined by the available loan balance restricted to the lesser of \$50,000 or 50 percent of the participant's vested account balance. All loans are covered by demand notes and are repayable over a period not to exceed five years (except for loans for the purchase of a principal residence) through payroll withholdings unless the participant is paying the loan in full. Loans bear a fixed interest rate of two percent (2%) above the prime interest rate as published in the Money Section of USA Today.

Notes receivable from participants are reported at amortized principal balance plus accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

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

Investment contracts held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Use of Estimates

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

Investment Valuation and Income Recognition

Investments are reported at fair value (except fully benefit-responsive investment contracts, which are reported at contract value). Mutual funds are valued at the net asset value (NAV) of shares held by the Plan at year-end.

The common shares of the Company are valued at estimated fair value on December 31, 2021 and 2020. Fair value is determined by annual independent appraisals.

Fully benefit-responsive investment contracts are valued at contract value. Contract value represents contributions made under the contract, plus interest at the contract rate, less participant withdrawals and administration expenses.

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

Benefit payments to participants are recorded upon distribution.

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to: (a) the accounts of employees with rights in allocated stock (allocated) and (b) stock not yet allocated to employees (unallocated), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Administrative Expenses

Administrative expenses may be paid by the Company or the Plan, at the Company's discretion.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 3: Administration of Plan Assets

The Trustee of the Plan holds the Plan's investments of Carroll County Bancshares, Inc. common stock.

Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants. The trustee also administers the payment of interest and principal on the loans.

Officers or employees of the Company or its subsidiaries perform certain administrative functions. No such officer or employee receives compensation from the Plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

Note 4: Certification of Plan Custodian

The plan administrator has elected the method of annual reporting compliance permitted by ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Nationwide Trust Company, FSB, a qualified institution, has certified the following investment information included in the accompanying financial statements and ERISA-required supplemental schedule is complete and accurate:

	2021	2020
Investments		
Mutual funds	\$ 15,521,255	\$ 13,359,748
Short-term index fund	568,891	530,232
Notes receivable from participants	22,052	61,494

The custodian also certified to the completeness and accuracy of \$2,863 and \$5,268 of interest income on notes receivable from participants and \$2,177,524 and \$2,452,248 of net appreciation in fair value of investments related to the aforementioned investments for the years ended December 31, 2021 and 2020, respectively.

The Plan's independent auditors did not perform audit procedures with respect to this certified investment information, except for comparing such certified investment information to the related investment information included in the financial statements and ERISA-required supplemental schedule.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 5: Investments

The trustee of the Plan holds investments of the Company's common stock. The Plan's investments on December 31, 2021 and 2020, are presented in the following table:

	2021		2020	
	Allocated	Unallocated	Allocated	Unallocated
Common stock of Carroll County Bancshares, Inc. number of shares*	4,574	319	4,452	441
Cost	\$ 4,487,674	\$ 957,180	\$ 4,056,167	\$ 1,388,709
Fair value	\$ 20,294,570	\$ 1,415,669	\$ 18,437,053	\$ 1,824,858

*These are nonparticipant directed investments.

Note 6: Notes Payable

On July 16, 2020, the Plan entered into a \$275,000 loan agreement with the Company. Unallocated shares serve as collateral for the loan. The agreement provides for the loan to be repaid with one payment of principal and interest on March 31, 2021, and the loan bears interest at a rate of 3.125 percent. At December 31, 2021 and 2020, total borrowings on the loan payable were \$0 and \$275,000, respectively.

On January 27, 2017, the Plan entered into a \$1,645,000 loan agreement with the Company. Unallocated shares serve as collateral for the loan. The agreement provides for the loan to be repaid over five years with quarterly interest payments and four annual principal payments of \$137,083 each beginning March 31, 2018, and one principal and interest payment of \$1,117,938 on March 31, 2022. The loan bears interest at a rate of 3.89 percent. At December 31, 2021 and 2020, total borrowings on the loan payable were \$1,096,667 and \$1,233,750, respectively.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Shares are released from collateral and allocated to participants as payments of principal and interest are made. The number of shares released in any year is the number of shares held as collateral times the ratio of the current year payments divided by the total of this year's payments, plus all future years' principal and interest payments. This resulted in 122 shares and 134 shares being released and allocated for the plan years ended December 31, 2021 and 2020, respectively.

The scheduled amortization of the loans for the next five years and thereafter is as follows:

2022	<u><u>\$ 1,096,667</u></u>
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Note 7: Party-in-Interest Transactions

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50 percent or more of such an employer or employee association, or relatives of such persons.

Certain plan investments are shares of mutual funds managed by Nationwide Financial Group, Inc., and a guaranteed short-term index fund managed by Nationwide Mutual Insurance Company, affiliates of Nationwide Trust Company, FSB, the Plan's custodian. Therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are included in net appreciation in fair value of investments. Direct administrative and investment management service fees included in net appreciation totaled \$68,015 and \$83,338 during 2021 and 2020, respectively. Certain plan assets are held in deposit accounts at the Company. Therefore, these transactions qualify as party-in-interest transactions. The Company provides certain administrative services at no cost to the Plan.

Note 8: Fair Value Measurements

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. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

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

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying statements of net assets available for benefits measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2021 and 2020:

2021				
Fair Value Measurements Using				
Fair Value	Level 1	Level 2	Level 3	
Common stock of Carroll County Bancshares, Inc.	\$ 21,710,239	\$ -	\$ -	\$ 21,710,239
Mutual funds	15,521,255	-	-	-
Money market funds	139,554	-	-	-
	<u>\$ 37,371,048</u>	<u>\$ 15,660,809</u>	<u>\$ -</u>	<u>\$ 21,710,239</u>

2020				
Fair Value Measurements Using				
Fair Value	Level 1	Level 2	Level 3	
Common stock of Carroll County Bancshares, Inc.	\$ 20,261,911	\$ -	\$ -	\$ 20,261,911
Mutual funds	13,359,748	-	-	-
Money market funds	40,000	-	-	-
	<u>\$ 33,661,659</u>	<u>\$ 13,399,748</u>	<u>\$ -</u>	<u>\$ 20,261,911</u>

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of net assets available for benefits, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the years ended December 31, 2021 and 2020. The Plan had no liabilities measured at fair value on a recurring basis. In addition, the Plan had no assets or liabilities measured at fair value on a nonrecurring basis. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy and include closely held common stock. There were no purchases, issues, or transfers into and out of Level 3 during 2021 or 2020. See table below for inputs and valuation techniques used for Level 3 securities. The fair value of the closely held common stock is determined by an independent appraisal.

Unobservable (Level 3) Inputs

The following table presents quantitative information about unobservable inputs used in recurring Level 3 fair value measurements at December 31, 2021 and 2020:

	Fair Value at 12/31/2021	Fair Value at 12/31/2020	Valuation Technique	Unobservable Inputs
Common stock of Carroll County Bancshares, Inc.	\$ 21,710,239	\$ 20,261,911	Income Approach	Weighted average cash flows Discount rate Long-term growth rate Capitalization rate
			Market Approach	Base stockholders' equity Guideline public company book value multiples Guideline transactions book value multiples Weighted average adjusted operating net income Guideline public company price earnings multiple Guideline transactions price earnings multiples

The valuation process involves plan management's selection of an independent appraiser. Plan management accumulates the data for the appraiser from the audited financial statements of the Company. The appraiser prepares a preliminary report which plan management, along with the plan trustee, reviews in detail, discusses, and approves. The results of this process are documented in minutes of the plan fiduciary.

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

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

Note 9: Investment Contract with Insurance Company

The Plan has entered into a fully benefit-responsive investment contract with Nationwide Life Insurance Company (Nationwide Life). Nationwide Life maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed investment contract issuer is contractually obligated to repay the principal and a specified interest rate guaranteed to the Plan.

The guaranteed investment contract is fully benefit responsive; therefore, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Nationwide Life, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants may ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value.

There are no reserves against the contract value for credit risk of the contract issuer or otherwise.

Certain events limit the ability of the Plan to transact at contract value with the issuer. Such events include the following: (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan), (2) changes to Plan's prohibition on competing investment options or deletion of equity wash provisions, (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan, or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA. The plan administrator does not believe the occurrence of any such value event, which would limit the Plan's ability to transact at contract value with participants, is probable.

The guaranteed investment contract does not permit the insurance company to terminate the agreement prior to the scheduled maturity date.

The contract value of the investment contract held by the Plan at December 31, 2021 and 2020, is \$568,891 and \$530,232, respectively.

Note 10: Risks and Uncertainties

The Plan primarily invests in mutual funds and company common stock, which is exposed to various risks, such as market and credit risk as well as valuation assumptions based on earnings, cash flows, and/or other such techniques. Due to the level of risk associated with such investment securities and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term could materially affect the participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

Notes to Financial Statements

December 31, 2021 and 2020

The outbreak of the novel coronavirus COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, has led to adverse impacts on the U.S. and global economies. Economic uncertainties have arisen, which have resulted in significant volatility in the investment markets and may continue to impact the value of plan assets. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Note 11: Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or the participant's beneficiary at the time prescribed by the plan terms and the Code. In the event of plan termination, participants will become 100 percent vested in their accounts.

Note 12: Tax Status

The Plan obtained its latest determination letter on November 8, 2017, in which the Internal Revenue Service stated that the Plan and related trust, as then designed, were in compliance with the applicable requirements of the Internal Revenue Code and therefore not subject to tax. The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

Note 13: Subsequent Events

Subsequent events have been evaluated through September 8, 2022, which is the date the financial statements were available to be issued.

The Plan entered into a loan from the Company on March 31, 2022, in the amount of \$959,583 with interest on the unpaid balance accrued until such loan is fully paid at 4 percent per annum. Principal payments are due annually on March 31, and interest will be paid quarterly, with any unpaid principal and interest being paid in full on March 31, 2029.

Supplemental Schedule

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

EIN 42-1113591 PN 0001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2021

Identity of Issuer	Description of Investment	Cost	Current Value
Common Stock			
*Carroll County Bancshares, Inc.	Common Stock	\$ 5,444,854	\$ 21,710,239
Fixed Account			
*Nationwide	Fixed Sell Option	**	568,891
Mutual Funds			
American Century	American Century Emerging Markets Fund	**	55,679
American Funds	American Funds 2025 Target Date Retirement Fund Class R6	**	53,157
American Funds	American Funds American Balanced R6	**	492
American Funds	American Funds American Mutual R6	**	88,152
American Funds	American Funds Capital Income Bldr R6	**	100,139
American Funds	American Funds Capital World Gr&Inc R6	**	185,643
American Funds	American Funds EuroPacific Growth R6	**	26,940
American Funds	American Funds Income Fund of Amer R6	**	25,519
American Funds	American Funds Invmt Co of Amer R6	**	32,783
American Funds	American Funds New Perspective R6	**	1,138,151
American Funds	American Funds The Bond Fund of America Class R6	**	28,806
American Funds	American Funds Washington Mutual R6	**	1,016
BlackRock	BlackRock Mid-Cap Growth Equity Portfolio Inst Shares	**	1,077,182
BlackRock	iShares S&P 500 Index Fund Class K	**	2,972
BlackRock	BlackRock Health Sciences Opportunities Portfolio Inst Shares	**	18,325
DFA	DFA Inflation-Protected Securities Portfolio Inst Class	**	29,435
DFA	DFA U.S. Small Cap Portfolio Inst Class	**	1,585
Federated Government Obligations	Federated Hermes Government Obligations Fund Premier	**	9
Fidelity	Fidelity Advisor Growth Opportunities Fund Class I	**	18,075
First Eagle	First Eagle Global Fund Class R6	**	46,300
Franklin Strategic	Franklin DynaTech Fund Advisor Class	**	1,823
Franklin Strategic	Franklin Small-Mid Cap Growth Adv	**	102,731
Hartford	Hartford Balanced Income Fund Class R5	**	52,559
Hartford	Hartford Strategic Income Fund Class R5	**	10,241
AIM	Invesco Gold and Special Minerals Fund Class Y	**	9,486
AIM Counselor	Invesco Growth and Income R5	**	-
AIM Investment	Invesco Real Estate R6	**	11,932
Janus	Janus Henderson Global Life Sciences Fund Class N	**	17,462
John Hancock	John Hancock Bond Fund Class 1	**	22,970
JPMorgan	JPMorgan Core Plus Bond R5	**	44,217
JPMorgan	JPMorgan Core Plus Bond R6	**	40,778
JPMorgan	JPMorgan Growth Advantage R6	**	165,882
Lord Abbett	Lord Abbett Total Return Fund Class R5	**	80,514
MFS	MFS Value R6	**	47,187
Morgan Stanley	Morgan Stanley Inst Fund, Inc. Growth Portfolio Class I	**	10,225
Morgan Stanley	Morgan Stanley Inst Global Opp I	**	21,187
*Nationwide	Nationwide International Index Fund Class R6	**	20,292
	Total forward		25,868,976

*Party-in-interest as defined by ERISA

**In accordance with Form 5500 instructions, the Plan is not required to disclose the cost of participant-directed investments.

Carroll County Bancshares, Inc. Employee Stock Ownership Plan

EIN 42-1113591 PN 0001

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2021

Identity of Issuer	Description of Investment	Cost	Current Value
	Total forward		\$ 25,868,976
Parnassus	Parnassus Core Equity Institutional	**	93,855
PGIM	PGIM Total Return Bond Fund Class R6	**	222,692
PIMCO	PIMCO Emerging Local Bond Instl	**	19,676
PIMCO	PIMCO Income Instl	**	121,416
PIMCO	PIMCO Low Duration Income Instl	**	12,784
PIMCO	PIMCO StocksPLUS Small Fund Institutional Class	**	21,035
PIMCO	PIMCO Total Return Instl	**	5,604
Principal	Principal High Yield Fund Institutional Class	**	78,368
T. Rowe Price	T. Rowe Price Balanced Fund	**	77,490
T. Rowe Price	T. Rowe Price Blue Chip Growth Fund	**	19,029
T. Rowe Price	T. Rowe Price Growth Stock Fund	**	19,067
T. Rowe Price	T. Rowe Price Retirement 2025 Fund	**	23,311
Vanguard	Vanguard Dividend Appreciation Index Fund Admiral Shares	**	26,873
Vanguard	Vanguard Extended Market Index Fund Admiral Shares	**	90,243
Vanguard	Vanguard GNMA Fund Admiral Shares	**	139,311
Vanguard	Vanguard Growth Index Admiral	**	2,456,466
Vanguard	Vanguard Health Care Adm	**	40,224
Vanguard	Vanguard International Growth Adm	**	231,822
Vanguard	Vanguard Mid-Cap Growth Index Fund Admiral Shares	**	115,278
Vanguard	Vanguard Mid-Cap Value Index Admiral	**	350,387
Vanguard	Vanguard Real Estate Index Fund Admiral Shares	**	2,994
Vanguard	Vanguard Small Cap Growth Index Admiral	**	269,731
Vanguard	Vanguard Small Cap Index Fund Admiral Shares	**	298,051
Vanguard	Vanguard Small Cap Value Index Admiral	**	357,822
Vanguard	Vanguard Target Retirement 2015 Inv	**	519,058
Vanguard	Vanguard Target Retirement 2020 Inv	**	497,110
Vanguard	Vanguard Target Retirement 2025 Inv	**	379,565
Vanguard	Vanguard Target Retirement 2030 Inv	**	169,568
Vanguard	Vanguard Target Retirement 2035 Inv	**	222,953
Vanguard	Vanguard Target Retirement 2040 Inv	**	539,433
Vanguard	Vanguard Target Retirement 2045 Inv	**	1,385,912
Vanguard	Vanguard Target Retirement 2050 Inv	**	185,378
Vanguard	Vanguard Target Retirement 2055 Inv	**	171,370
Vanguard	Vanguard Target Retirement 2060 Inv	**	239,830
Vanguard	Vanguard Target Retirement 2065 Inv	**	53,234
Vanguard	Vanguard Target Retirement Income Fund Investor Shares	**	335,233
Vanguard	Vanguard Total Stock Mkt Idx Adm	**	1,118,634
Vanguard	Vanguard Value Index Adm	**	1,002,236
Virtus	Virtus AllianzGI Technology Inst	**	1,636
Virtus	Virtus KAR Small-Cap Growth Fund Class R6	**	16,730
Cash			
*Availa Bank	Money market account	139,554	139,554
Participant Loans			
*Plan participants	Participant loans, with interest at 7.25%	**	22,052
			<u>\$ 37,961,991</u>

*Party-in-interest as defined by ERISA

**In accordance with Form 5500 instructions, the Plan is not required to disclose the cost of participant-directed investments.

CARROLL COUNTY BANCSHARES, INC. EMPLOYEE STOCK OWNERSHIP PLAN
DECEMBER 31, 2021
EIN: 42-1113591
PLAN NUMBER: 001

The required Schedule of Assets (Held at End of Year) is included in the Accountant's audit report attachment.