

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 multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
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>AFC PROFIT SHARING PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>005</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1990</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>005</u>	1c Effective date of plan <u>01/01/1990</u>	
1b Three-digit plan number (PN) ▶	<u>005</u>				
1c Effective date of plan <u>01/01/1990</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>ALABAMA FARMERS COOPERATIVE INC.</u> <u>121 SOMERVILLE ROAD NE</u> <u>DECATUR, AL 35601</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>63-0207695</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>256-353-6843</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>111900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>63-0207695</u>	2c Plan Sponsor's telephone number <u>256-353-6843</u>	2d Business code (see instructions) <u>111900</u>	
2b Employer Identification Number (EIN) <u>63-0207695</u>					
2c Plan Sponsor's telephone number <u>256-353-6843</u>					
2d Business code (see instructions) <u>111900</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.	10/14/2022	VANESSA CHANDLER
	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	3174
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)	2770
a(2) Total number of active participants at the end of the plan year		6a(2)	1690
b Retired or separated participants receiving benefits.....		6b	11
c Other retired or separated participants entitled to future benefits		6c	591
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	2292
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	2292
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	2292
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	20
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: 2A 2E 2F 2G 2J 2K 2T 3H 3D			
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 AFC PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 ALABAMA FARMERS COOPERATIVE INC.	D Employer Identification Number (EIN) 63-0207695

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
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
06-1050034	93629	075543	2292	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	

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

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(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	23280055
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	7782342

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 ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

b Balance at the end of the previous year	7b	23147662
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c Additions: (1) Contributions deposited during the year	7c(1)	1369563	
	7c(2)		
	7c(3)	466451	
	7c(4)	51779	
	7c(5)	2885994	

▶ **LOAN REPAYMENTS, TRANSFERS IN MISC. IN PLAN ROLLOVER**

(6) Total additions	7c(6)	4773787
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d Total of balance and additions (add lines 7b and 7c(6))	7d	27921449
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	3179079	
	7e(2)	1189	
	7e(3)	335040	
	7e(4)	1126086	

▶ **FORF. DR., TRANSFERS OUT LOAN INITIATIONS MISC. OUT**

(5) Total deductions	7e(5)	4641394
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f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	23280055
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Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. 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 AFC PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶	005
C Plan sponsor's name as shown on line 2a of Form 5500 ALABAMA FARMERS COOPERATIVE INC.	D Employer Identification Number (EIN) 63-0207695	

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
PRUDENTIAL RETIREMENT INSURANCE AND
06-1050034

(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)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15 37 50 64	NONE	228079	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

CAPFINANCIAL PARTNERS LLC

26-0058143

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	163908	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 ☐

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 D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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>AFC PROFIT SHARING PLAN</u>	B Three-digit plan number (PN) ►	<u>005</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>ALABAMA FARMERS COOPERATIVE INC.</u>	D Employer Identification Number (EIN) <u>63-0207695</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MCV/ROBECO FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-440</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1567395</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SCV/VICTORY FUND</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-701</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1938433</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WESTERN ASSET CR PLS BD</u>		
b Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS.</u>		
c EIN-PN <u>06-1050034-824</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>4276514</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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

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

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

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 01/01/2021 and ending 12/31/2021		
A Name of plan AFC PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 ALABAMA FARMERS COOPERATIVE INC.	D Employer Identification Number (EIN) 63-0207695	

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)		
(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)		
(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)	1630713	1475087
(9) Value of interest in common/collective trusts.....	1c(9)	0	
(10) Value of interest in pooled separate accounts	1c(10)	9121545	7782342
(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)	98655662	97294234
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	23147662	23280055
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities.....	1d(1)		
(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	132555582	129831718

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	132555582	129831718
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	3227823	
(B) Participants	2a(1)(B)	6376502	
(C) Others (including rollovers).....	2a(1)(C)	919995	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		10524320
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(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)	81139	
(F) Other	2b(1)(F)	466451	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		547590
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	1592338	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1592338
(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)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(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)		689996
(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)		13184863
c Other income.....	2c		-4967
d Total income. Add all income amounts in column (b) and enter total.....	2d		26534140
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	28856917	
(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)		28856917
f Corrective distributions (see instructions).....	2f		72
g Certain deemed distributions of participant loans (see instructions).....	2g		2813
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	398202	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		398202
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		29258004
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-2723864
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: RMS US LLP

(2) EIN: 42-0714325

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		884981

	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		1000000
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?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	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.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

5c 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 AFC PROFIT SHARING PLAN	B Three-digit plan number (PN) ► 005
C Plan sponsor's name as shown on line 2a of Form 5500 ALABAMA FARMERS COOPERATIVE INC.	D Employer Identification Number (EIN) 63-0207695

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

1	Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2	Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 22-1211670		
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.)
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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 _____

AFC Profit Sharing Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Plan Administrator
AFC Profit Sharing Plan

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

We have performed an audit of the financial statements of AFC Profit Sharing Plan (the 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 (DOL) 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 DOL'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 3 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 (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by a qualified institution and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institutions 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 the 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 U.S. GAAP, 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 Plan's ability to continue as a going concern within one year after the date that the financial statements.

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 the 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 the 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 2021 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 U.S. GAAP.

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 U.S. GAAP.

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 Schedules Required by ERISA

The supplemental schedules of delinquent participant contributions for the year ended December 31, 2021 and the schedule of assets (held at end of year) as of December 31, 2021, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL'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 schedules, 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 schedules 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 schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules 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 the Plan. As permitted by 29 CFR 2520.103-8 of the DOL'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 October 6, 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Orlando, Florida
September 22, 2022

AFC Profit Sharing Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value:		
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ 98,655,662
Pooled separate accounts	7,782,342	9,121,545
Investments at contract value:		
Guaranteed investment contract	23,280,055	23,147,662
Total investments	128,356,631	130,924,869
Receivables:		
Participants' contributions	99,563	105,700
Employer's contributions	610,362	432,713
Notes from participants	1,499,514	1,656,963
Total receivables	2,209,439	2,195,376
Net assets available for benefits	\$ 130,566,070	\$ 133,120,245

See notes to financial statements.

AFC Profit Sharing Plan

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

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 13,869,892
Interest and dividends	<u>2,058,789</u>
	15,928,681

Interest income on notes receivable from participants	81,139
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Contributions:

Participants	6,370,365
Employer, net of forfeitures	3,405,472
Rollovers	<u>919,995</u>

Total additions	<u>26,705,652</u>
------------------------	-------------------

Deductions from net assets attributed to:

Benefits paid to participants	28,861,625
Administrative expenses	<u>398,202</u>
Total deductions	<u>29,259,827</u>

Net decrease in net assets available for benefits	(2,554,175)
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Net assets available for benefits:

Beginning of year	<u>133,120,245</u>
End of year	<u><u>\$ 130,566,070</u></u>

See notes to financial statements.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of the AFC Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan, which was established by Alabama Farmers Cooperative Inc. (AFC) and certain of its affiliates (referred to herein collectively as the Company, Employer or Plan Sponsor) on January 1, 1990, and has been amended from time to time thereafter, is a defined contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan provides retirement and other plan benefits to substantially all employees of the Employer, who have attained the age of 21. Employees are allowed to participate in the Plan on the first day in which the Plan eligibility requirements are met. The Retirement Plan Committee of AFC (Retirement Plan Committee) is responsible for oversight of the Plan and determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Company's Board of Directors.

During July 2021, the Plan's loan policy was amended to allow terminated participants to continue repayments on the loan after termination, rather than the full loan balance being paid at termination. During October 2021, the Plan was amended to include an employee after-tax contribution option.

Contributions: Plan participants may voluntarily contribute, on a pre-tax or after-tax basis, an unlimited percentage of their annual compensation (up to the Internal Revenue Code (IRC) maximum allowable amount) to the Plan. Participants may also rollover amounts representing distributions from other eligible retirement plans (rollovers). All contributions are held in a trust and invested by the Plan's trustee in accordance with the options elected by the participants (i.e., all investments are participant directed). The maximum allowable voluntary contribution, as determined by the Internal Revenue Service (IRS), was \$19,500 for 2021. Employees age 50 or older may be eligible to make additional catch-up contributions subject to certain limitations and restrictions as determined by the IRS. The maximum catch-up contribution was \$6,500 for 2021.

The Employer makes a matching contribution equal to the sum of 100% of the participant's contributions that is not in excess of 3% of the participant's compensation, plus 50% of the amount of the participant's contributions that exceeds 3% but is not in excess of 5% of the participant's compensation. Additionally, the Employer may contribute a discretionary contribution to the Plan. Discretionary contributions are allocated among the eligible employees who were employed on the last day of the year based on a formula, which takes into account each employee's total compensation for the Plan year and an age weighted factor for each participant. The amount of such discretionary contribution, if any, for any Plan year shall be determined by the Company's Board of Directors. The discretionary contributions for the year ended December 31, 2021, amounted to \$563,030, which is included in employer contributions, net of forfeitures, in the accompanying statement of changes in net assets available for benefits.

Participant accounts: Each participant's account is credited with the participant's contributions, their pro rata share of the Employer's matching contributions and discretionary contributions (if any), an allocation of Plan earnings (including market value adjustments to Plan investments) and charged with allocations of Plan losses and administrative expenses that are paid by the Plan. Allocations of earnings or losses in each investment option are made daily to the individual participant's account based on the ratio of each participant's current account balance in the respective investment option to total Plan participants' account balances in the respective investment option. The benefit to which a participant is entitled is the vested benefit that can be provided from the participant's account.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Vesting: Participant contributions, rollover contributions and employer matching contributions, plus or minus actual earnings or losses thereon have full and immediate vesting. The Employer's discretionary contributions (and earnings or losses thereon) vest according to the following schedule:

Years of Service	Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

An affected participant's account becomes fully vested regardless of the above vesting schedules upon the participant's death, total disability, attaining normal retirement age, upon the complete discontinuance of the Employer contributions to the Plan or upon full or partial termination of the Plan.

Investment options: Upon enrollment in the Plan, participants may elect to invest both participant and Employer contributions in various investment options, as more fully described in the Plan agreement. Participants can change their contribution percentages and investment options or make fund transfers at any time.

Notes receivable from participants: Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the highest outstanding participant note balance or 50% of the participant's vested account balance in the Plan. A participant may not have more than one note outstanding at any time. The notes are collateralized by a portion of the balance in the participant's account and bear a reasonable fixed rate of interest (prime plus 1% as determined on the first business day of each month), which ranged from 4.25% to 6.50% as of December 31, 2021, and mature through 2036. Principal and interest are paid ratably through payroll deductions. Notes are subject to repayment terms not to exceed a period of five years, unless the funds are used to purchase a participant's principal residence, which must be repaid within a reasonable period of time, not to exceed 15 years.

Payment of benefits: Distributions of a participant's account are made upon retirement from the Employer, in cases of financial hardship, termination from service with the Employer, death or permanent and total disability. Distributions of participant's accounts will be made as soon as administratively practical. The normal retirement age, as defined by the Plan, is 62. The early retirement age, as defined by the Plan, is the date at which participants reach the age of 55 and have completed six years of service. Participants still employed who have reached the age of 59½ and are 100% vested are eligible for an in-service distribution of all or a portion of their vested balance. Distributions of benefits greater than \$5,000 may be made in one of the following methods as elected by the participant: (1) one lump-sum payment of the entire balance in cash, (2) monthly, quarterly, semi-annual or annual installments over a period of not more than the assumed life expectancy of the individual participant (or the life expectancy of the participant and the participant's beneficiary) or (3) annuity payments. If no election is made, then the participant shall receive their vested balance in the form of a joint and survivor annuity. Participants whose vested balance is less than \$5,000 will receive their vested interest in a lump-sum payment regardless of the participant's consent to distribute. The Plan allows participants that are less than 72 to defer payments until they cease employment.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Forfeitures of accounts: Any non-vested participant account balance is forfeited at the earlier of the following: (1) after the distribution of a terminated participant's vested account balance or (2) the last day of the Plan year in which a participant who has severed employment with the Employer incurs five consecutive one-year breaks in service. Forfeitures of participants' non-vested account balances are to be used to pay administrative expenses of the Plan or to reduce Employer contributions to the Plan. During the year ended December 31, 2021, no forfeitures were used to pay administrative expenses and forfeitures of \$177,450 were used to reduce Employer contributions. As of December 31, 2021 and 2020, the remaining balance of forfeited non-vested accounts totaled \$28,482 and \$165,494, respectively.

Note 2. Summary of Significant Accounting Policies

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

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires the Plan's management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Sponsor's Benefit Committee determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for discussion of fair value measurements.

Investments 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 measurement for the portion of the net assets available for benefits 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.

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

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

Notes receivable from participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make the scheduled repayments and the Plan Administrator deems the participant to be in default, the participant's note receivable is reduced and a benefit payment is recorded based on the terms of the Plan. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Excess contributions payable: Participant contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction in contributions.

Payment of benefits: Benefits are recorded when paid.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Administrative expenses include fees related to the administration of notes receivable that are charged directly to the participant's account and certain recordkeeping and investment consulting fees paid by the Plan. Investment related expenses are included in net appreciation in fair value of investments.

Subsequent events: The Plan Administrator has evaluated subsequent events (events occurring after December 31, 2021) through September 22, 2022, the date the financial statements were available to be issued.

Effective January 1, 2022, the Plan Sponsor restructured and the Plan became a multiple employer plan (MEP). The Plan will be amended and restated to transition to a MEP during 2022.

Note 3. Information Certified or Provided by Prudential Bank & Trust, F.S.B. (Trustee)

The following is a summary of the Plan's asset information as of December 31, 2021 and 2020, and for the year ended December 31, 2021, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by Prudential Bank & Trust, F.S.B., the trustee of the Plan. The Plan Administrator has obtained certifications from the trustee that information provided to the Plan Administrator by the trustee related to the following assets is complete and accurate. Accordingly, 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 the Plan's independent auditors not to perform any auditing procedures with respect to the information that appears throughout the financial statements and ERISA-required supplemental schedules related to the following assets:

	December 31	
	2021	2020
Investments at fair value:		
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ 98,655,662
Pooled separate accounts	7,782,342	9,121,545
	<u>\$105,076,576</u>	<u>\$107,777,207</u>
Investments at contract value:		
Guaranteed investment contract	\$ 23,280,055	\$ 23,147,662
	<u>\$ 23,280,055</u>	<u>\$ 23,147,662</u>
Notes receivable from participants	<u>\$ 1,499,514</u>	<u>\$ 1,656,963</u>

Prudential has certified the completeness and accuracy of \$13,869,892 of net appreciation in fair value of investments, \$81,139 of interest income on notes receivable from participants, and \$2,058,789 of interest and dividends related to the aforementioned Plan assets for the period ending December 31, 2021.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

The framework measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Shares of registered investment companies (mutual funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Pooled separate accounts: Valued at the NAV of shares in each account held by the Plan at year end. The NAV is not a publicly-quoted price in an active market. The NAV, as provided by the insurance carrier, is used as a practical expedient to estimating fair value.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

Description	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ -	\$ -	\$ 97,294,234
Investments measured at NAV (a)				7,782,342
Investments at fair value				\$ 105,076,576

Description	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies (mutual funds)	\$ 98,655,662	\$ -	\$ -	98,655,662
Investments measured at NAV (a)				9,121,545
Investments at fair value				\$ 107,777,207

- (a) In accordance with the Fair Value Measurements topic, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

The following table summarizes investments for which fair value is estimated using NAV per share (or its equivalent), as a practical expedient, as of December 31, 2021 and 2020:

	Fair Value Estimated Using NAV Per Share				
	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31 2021	December 31 2020			
Pooled separate accounts:					
Western Asset Core Plus Bond	\$ 4,276,514	\$ 5,870,575	None	Daily	None
Victory Fund	1,938,433	1,759,805	None	Daily	None
Robeco Boston Partners Fund	1,567,395	1,491,165	None	Daily	None
Total	\$ 7,782,342	\$ 9,121,545			

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another.

The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 5. Fully Benefit-Responsive Investment Contracts

The Plan has a traditional, fully benefit-responsive guaranteed investment contract with Prudential Retirement Insurance and Annuity Company (PRIAC) that is reported at contract value. PRIAC maintains the contributions in a general account. The account is credited with contributions, earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting interest rate is based on a formula agreed upon with the issuer, but it may not be less than 1.5%. Such interest rates are reviewed on an annual basis for resetting. The contract cannot be terminated before the scheduled maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with contract issuer. Examples of such events include the following:

1. The Plan's failure to qualify under Section 401(a) of the IRC or the failure of the trust to be tax-exempt under Section 501(a) of the IRC
2. Premature termination of the contracts
3. Plan termination or merger
4. Changes to the Plan's prohibition on competing investment options
5. Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations

Plan management believes that no events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Those events may be different under each contract. Examples of such events include the following:

1. An uncured violation of the Plan's investment guidelines
2. A breach of material obligation under the contract
3. A material misrepresentation
4. A material amendment to the agreement without the consent of the issuer

AFC Profit Sharing Plan

Notes to Financial Statements

Note 6. Related-Party and Party-in-Interest Transactions

Section 3(14) of ERISA defines a party-in-interest to include, among others, fiduciaries or employees of the Plan, any person who provides services to the Plan, or an employer whose employees are covered by the Plan. Accordingly, the contributions remitted by the Employer are considered party-in-interest transactions. PRIAC is the recordkeeper of the Plan; therefore, transactions with the recordkeeper qualify as party-in-interest transaction. Fees paid by the Plan to the recordkeeper totaled \$231,058 for the year ended December 31, 2021. CapFinancial Partners, LLC provides investment consulting services to the Plan. Fees paid by the Plan to CapFinancial Partners, LLC for investment consulting services amounted to \$163,908 during the year ended December 31, 2021. Burr Forman LLP provides legal services to the Plan. Fees paid by the Plan to Burr Forman LLP for legal services amounted to \$3,236 during the year ended December 31, 2021. Certain employees of the Company provide administrative services for the Plan and are not reimbursed for their services from the Plan. Certain other administrative expenses are paid by the Company on behalf of the Plan.

Note 7. Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in employer contributions.

Note 8. Tax Status

Effective November 15, 2019, the Plan Adopted a non-standardized form of a prototype plan sponsored by The Prudential Insurance Company of America. The prototype plan has received an opinion letter from the IRS as to the prototype plan's qualified status. The Prototype Plan opinion letter has been relied upon by this Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken any significant uncertain tax positions that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the net assets per the Form 5500:

	December 31	
	2021	2020
Net assets available for benefits per the financial statements	\$ 130,566,070	\$ 133,120,245
Differences in:		
Investments—participant loans	1,499,514	1,656,963
Receivables—notes receivable from participants	(1,499,514)	(1,656,963)
Participants' contribution receivable	(99,563)	(105,700)
Employer's contribution receivable	(610,362)	(432,713)
Deemed distributions	(24,427)	(26,250)
Net assets per the Form 5500	<u>\$ 129,831,718</u>	<u>\$ 132,555,582</u>

AFC Profit Sharing Plan

Notes to Financial Statements

Note 9. Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of the net decrease in net assets available for benefits per these financial statements to net loss per the Form 5500:

	Year Ended December 31, 2021
Net decrease in net assets available for benefits per the financial statements	\$ (2,554,175)
Differences in:	
Participants' contribution receivable	6,137
Employer's contribution receivable	(177,649)
Deemed distributions	1,823
Net loss per the Form 5500	<u>\$ (2,723,864)</u>

Note 10. Prohibited Transactions

During 2021, the Company inadvertently failed to deposit \$884,981 of participant deferrals and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be prohibited transactions. The Company will pay all applicable excise taxes during the year ended December 31, 2022, and lost earnings on the late deposits for 2021 will be remitted to the Plan during 2022.

AFC Profit Sharing Plan

Schedule H, Line 4a—Schedule of Delinquent Participant Contributions Year Ended December 31, 2021

Employer Identification Number: 63-0207695

Plan Number: 005

Participant Contributions Transferred Late to Plan		Total that constitute prohibited nonexempt transactions			
Check Here if Late Participant Loan Repayments are Included ☒	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51	
2021	\$ 884,981	\$ -	\$ -	\$	-

During 2021, the Company inadvertently failed to deposit \$884,981 of participant deferrals and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be prohibited transaction. The Company will pay all applicable excise taxes during the year ended December 31, 2022, and lost earnings on the late deposits for 2021 will be remitted to the Plan during 2022.

AFC Profit Sharing Plan

Schedule H, Line 4i—Schedule of Assets (Held at End of Year) December 31, 2021

Employer Identification Number: 63-0207695

Plan Number: 005

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
		Shares of registered investment companies (mutual funds):		
	T. Rowe Price	T. Rowe Price Institutional Large Cap Core Growth	**	\$ 16,450,908
	MFS	MFS Value Fund Class R6	**	10,966,847
	Vanguard	Vanguard Institutional Index I	**	8,586,741
	JP Morgan	JP Morgan Smart Retirement 2045 Institutional	**	8,464,760
	JP Morgan	JP Morgan Smart Retirement 2025 Institutional	**	7,795,831
	JP Morgan	JP Morgan Smart Retirement 2035 Institutional	**	6,540,838
	JP Morgan	JP Morgan Smart Retirement 2030 Institutional	**	6,369,666
	JP Morgan	JP Morgan Smart Retirement 2040 Institutional	**	5,903,982
	Vanguard	Vanguard Extended Market Index Admiral	**	4,669,920
	JP Morgan	JP Morgan Smart Retirement 2050 Institutional	**	4,375,413
	JP Morgan	JP Morgan Smart Retirement Income	**	3,490,400
	American Funds	American Funds EuroPacific	**	3,224,898
	T. Rowe Price	T. Rowe Price QM US Small Cap Growth	**	2,915,665
	JP Morgan	JP Morgan Smart Retirement 2020 Institutional	**	2,165,190
	JP Morgan	JP Morgan Smart Retirement 2055 Institutional	**	2,044,289
	Vanguard	Vanguard Total Bond Market Index Admiral	**	1,005,420
	Mass Mutual	Mass Mutual Select Mid Cap Growth	**	920,493
	Vanguard	Vanguard Total International Stock Index Admiral	**	798,237
	JP Morgan	JP Morgan Smart Retirement 2060 Institutional	**	604,736
				<u>97,294,234</u>
		Pooled separate accounts:		
	Western Asset	Western Asset Core Plus Bond	**	4,276,514
	Victory Capital Management	Victory Fund	**	1,938,433
	Robeco Investment Management	Robeco Boston Partners Fund	**	1,567,395
				<u>7,782,342</u>
		Guaranteed investment contract:		
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund	**	<u>23,280,055</u>
*	Participants	Participant loans***: 4.25% to 6.50%; maturing through 2036		<u>1,475,087</u>
				<u>\$ 129,831,718</u>

* Indicates a party-in-interest, as defined by ERISA.

** All investments are participant directed; therefore, cost information has not been presented.

*** Net of \$24,427 in deemed loan distributions.

The above information has been certified by Prudential Bank & Trust, F.S.B., the trustee, to be complete and accurate.

AFC Profit Sharing Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Plan Administrator
AFC Profit Sharing Plan

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

We have performed an audit of the financial statements of AFC Profit Sharing Plan (the 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 (DOL) 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 DOL'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 3 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 (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by a qualified institution and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institutions 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 the 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 U.S. GAAP, 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 Plan's ability to continue as a going concern within one year after the date that the financial statements.

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 the 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 the 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 2021 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 U.S. GAAP.

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 U.S. GAAP.

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 Schedules Required by ERISA

The supplemental schedules of delinquent participant contributions for the year ended December 31, 2021 and the schedule of assets (held at end of year) as of December 31, 2021, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL'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 schedules, 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 schedules 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 schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules 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 the Plan. As permitted by 29 CFR 2520.103-8 of the DOL'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 October 6, 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Orlando, Florida
September 22, 2022

AFC Profit Sharing Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value:		
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ 98,655,662
Pooled separate accounts	7,782,342	9,121,545
Investments at contract value:		
Guaranteed investment contract	23,280,055	23,147,662
Total investments	128,356,631	130,924,869
Receivables:		
Participants' contributions	99,563	105,700
Employer's contributions	610,362	432,713
Notes from participants	1,499,514	1,656,963
Total receivables	2,209,439	2,195,376
Net assets available for benefits	\$ 130,566,070	\$ 133,120,245

See notes to financial statements.

AFC Profit Sharing Plan

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

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	\$ 13,869,892
Interest and dividends	<u>2,058,789</u>
	15,928,681
 Interest income on notes receivable from participants	 81,139
 Contributions:	
Participants	6,370,365
Employer, net of forfeitures	3,405,472
Rollovers	<u>919,995</u>
Total additions	<u>26,705,652</u>
 Deductions from net assets attributed to:	
Benefits paid to participants	28,861,625
Administrative expenses	<u>398,202</u>
Total deductions	<u>29,259,827</u>
 Net decrease in net assets available for benefits	 (2,554,175)
 Net assets available for benefits:	
Beginning of year	<u>133,120,245</u>
 End of year	 <u><u>\$ 130,566,070</u></u>

See notes to financial statements.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of the AFC Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan, which was established by Alabama Farmers Cooperative Inc. (AFC) and certain of its affiliates (referred to herein collectively as the Company, Employer or Plan Sponsor) on January 1, 1990, and has been amended from time to time thereafter, is a defined contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan provides retirement and other plan benefits to substantially all employees of the Employer, who have attained the age of 21. Employees are allowed to participate in the Plan on the first day in which the Plan eligibility requirements are met. The Retirement Plan Committee of AFC (Retirement Plan Committee) is responsible for oversight of the Plan and determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Company's Board of Directors.

During July 2021, the Plan's loan policy was amended to allow terminated participants to continue repayments on the loan after termination, rather than the full loan balance being paid at termination. During October 2021, the Plan was amended to include an employee after-tax contribution option.

Contributions: Plan participants may voluntarily contribute, on a pre-tax or after-tax basis, an unlimited percentage of their annual compensation (up to the Internal Revenue Code (IRC) maximum allowable amount) to the Plan. Participants may also rollover amounts representing distributions from other eligible retirement plans (rollovers). All contributions are held in a trust and invested by the Plan's trustee in accordance with the options elected by the participants (i.e., all investments are participant directed). The maximum allowable voluntary contribution, as determined by the Internal Revenue Service (IRS), was \$19,500 for 2021. Employees age 50 or older may be eligible to make additional catch-up contributions subject to certain limitations and restrictions as determined by the IRS. The maximum catch-up contribution was \$6,500 for 2021.

The Employer makes a matching contribution equal to the sum of 100% of the participant's contributions that is not in excess of 3% of the participant's compensation, plus 50% of the amount of the participant's contributions that exceeds 3% but is not in excess of 5% of the participant's compensation. Additionally, the Employer may contribute a discretionary contribution to the Plan. Discretionary contributions are allocated among the eligible employees who were employed on the last day of the year based on a formula, which takes into account each employee's total compensation for the Plan year and an age weighted factor for each participant. The amount of such discretionary contribution, if any, for any Plan year shall be determined by the Company's Board of Directors. The discretionary contributions for the year ended December 31, 2021, amounted to \$563,030, which is included in employer contributions, net of forfeitures, in the accompanying statement of changes in net assets available for benefits.

Participant accounts: Each participant's account is credited with the participant's contributions, their pro rata share of the Employer's matching contributions and discretionary contributions (if any), an allocation of Plan earnings (including market value adjustments to Plan investments) and charged with allocations of Plan losses and administrative expenses that are paid by the Plan. Allocations of earnings or losses in each investment option are made daily to the individual participant's account based on the ratio of each participant's current account balance in the respective investment option to total Plan participants' account balances in the respective investment option. The benefit to which a participant is entitled is the vested benefit that can be provided from the participant's account.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Vesting: Participant contributions, rollover contributions and employer matching contributions, plus or minus actual earnings or losses thereon have full and immediate vesting. The Employer's discretionary contributions (and earnings or losses thereon) vest according to the following schedule:

Years of Service	Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

An affected participant's account becomes fully vested regardless of the above vesting schedules upon the participant's death, total disability, attaining normal retirement age, upon the complete discontinuance of the Employer contributions to the Plan or upon full or partial termination of the Plan.

Investment options: Upon enrollment in the Plan, participants may elect to invest both participant and Employer contributions in various investment options, as more fully described in the Plan agreement. Participants can change their contribution percentages and investment options or make fund transfers at any time.

Notes receivable from participants: Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the highest outstanding participant note balance or 50% of the participant's vested account balance in the Plan. A participant may not have more than one note outstanding at any time. The notes are collateralized by a portion of the balance in the participant's account and bear a reasonable fixed rate of interest (prime plus 1% as determined on the first business day of each month), which ranged from 4.25% to 6.50% as of December 31, 2021, and mature through 2036. Principal and interest are paid ratably through payroll deductions. Notes are subject to repayment terms not to exceed a period of five years, unless the funds are used to purchase a participant's principal residence, which must be repaid within a reasonable period of time, not to exceed 15 years.

Payment of benefits: Distributions of a participant's account are made upon retirement from the Employer, in cases of financial hardship, termination from service with the Employer, death or permanent and total disability. Distributions of participant's accounts will be made as soon as administratively practical. The normal retirement age, as defined by the Plan, is 62. The early retirement age, as defined by the Plan, is the date at which participants reach the age of 55 and have completed six years of service. Participants still employed who have reached the age of 59½ and are 100% vested are eligible for an in-service distribution of all or a portion of their vested balance. Distributions of benefits greater than \$5,000 may be made in one of the following methods as elected by the participant: (1) one lump-sum payment of the entire balance in cash, (2) monthly, quarterly, semi-annual or annual installments over a period of not more than the assumed life expectancy of the individual participant (or the life expectancy of the participant and the participant's beneficiary) or (3) annuity payments. If no election is made, then the participant shall receive their vested balance in the form of a joint and survivor annuity. Participants whose vested balance is less than \$5,000 will receive their vested interest in a lump-sum payment regardless of the participant's consent to distribute. The Plan allows participants that are less than 72 to defer payments until they cease employment.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Forfeitures of accounts: Any non-vested participant account balance is forfeited at the earlier of the following: (1) after the distribution of a terminated participant's vested account balance or (2) the last day of the Plan year in which a participant who has severed employment with the Employer incurs five consecutive one-year breaks in service. Forfeitures of participants' non-vested account balances are to be used to pay administrative expenses of the Plan or to reduce Employer contributions to the Plan. During the year ended December 31, 2021, no forfeitures were used to pay administrative expenses and forfeitures of \$177,450 were used to reduce Employer contributions. As of December 31, 2021 and 2020, the remaining balance of forfeited non-vested accounts totaled \$28,482 and \$165,494, respectively.

Note 2. Summary of Significant Accounting Policies

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

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires the Plan's management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Sponsor's Benefit Committee determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for discussion of fair value measurements.

Investments 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 measurement for the portion of the net assets available for benefits 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.

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

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

Notes receivable from participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make the scheduled repayments and the Plan Administrator deems the participant to be in default, the participant's note receivable is reduced and a benefit payment is recorded based on the terms of the Plan. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Excess contributions payable: Participant contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction in contributions.

Payment of benefits: Benefits are recorded when paid.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Administrative expenses include fees related to the administration of notes receivable that are charged directly to the participant's account and certain recordkeeping and investment consulting fees paid by the Plan. Investment related expenses are included in net appreciation in fair value of investments.

Subsequent events: The Plan Administrator has evaluated subsequent events (events occurring after December 31, 2021) through September 22, 2022, the date the financial statements were available to be issued.

Effective January 1, 2022, the Plan Sponsor restructured and the Plan became a multiple employer plan (MEP). The Plan will be amended and restated to transition to a MEP during 2022.

Note 3. Information Certified or Provided by Prudential Bank & Trust, F.S.B. (Trustee)

The following is a summary of the Plan's asset information as of December 31, 2021 and 2020, and for the year ended December 31, 2021, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by Prudential Bank & Trust, F.S.B., the trustee of the Plan. The Plan Administrator has obtained certifications from the trustee that information provided to the Plan Administrator by the trustee related to the following assets is complete and accurate. Accordingly, 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 the Plan's independent auditors not to perform any auditing procedures with respect to the information that appears throughout the financial statements and ERISA-required supplemental schedules related to the following assets:

	December 31	
	2021	2020
Investments at fair value:		
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ 98,655,662
Pooled separate accounts	7,782,342	9,121,545
	<u>\$105,076,576</u>	<u>\$107,777,207</u>
Investments at contract value:		
Guaranteed investment contract	\$ 23,280,055	\$ 23,147,662
	<u>\$ 23,280,055</u>	<u>\$ 23,147,662</u>
Notes receivable from participants	<u>\$ 1,499,514</u>	<u>\$ 1,656,963</u>

Prudential has certified the completeness and accuracy of \$13,869,892 of net appreciation in fair value of investments, \$81,139 of interest income on notes receivable from participants, and \$2,058,789 of interest and dividends related to the aforementioned Plan assets for the period ending December 31, 2021.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

The framework measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Shares of registered investment companies (mutual funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Pooled separate accounts: Valued at the NAV of shares in each account held by the Plan at year end. The NAV is not a publicly-quoted price in an active market. The NAV, as provided by the insurance carrier, is used as a practical expedient to estimating fair value.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

Description	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ -	\$ -	\$ 97,294,234
Investments measured at NAV (a)				7,782,342
Investments at fair value				\$ 105,076,576

Description	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies (mutual funds)	\$ 98,655,662	\$ -	\$ -	98,655,662
Investments measured at NAV (a)				9,121,545
Investments at fair value				\$ 107,777,207

- (a) In accordance with the Fair Value Measurements topic, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

The following table summarizes investments for which fair value is estimated using NAV per share (or its equivalent), as a practical expedient, as of December 31, 2021 and 2020:

	Fair Value Estimated Using NAV Per Share				
	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31 2021	December 31 2020			
Pooled separate accounts:					
Western Asset Core Plus Bond	\$ 4,276,514	\$ 5,870,575	None	Daily	None
Victory Fund	1,938,433	1,759,805	None	Daily	None
Robeco Boston Partners Fund	1,567,395	1,491,165	None	Daily	None
Total	\$ 7,782,342	\$ 9,121,545			

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another.

The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 5. Fully Benefit-Responsive Investment Contracts

The Plan has a traditional, fully benefit-responsive guaranteed investment contract with Prudential Retirement Insurance and Annuity Company (PRIAC) that is reported at contract value. PRIAC maintains the contributions in a general account. The account is credited with contributions, earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting interest rate is based on a formula agreed upon with the issuer, but it may not be less than 1.5%. Such interest rates are reviewed on an annual basis for resetting. The contract cannot be terminated before the scheduled maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with contract issuer. Examples of such events include the following:

1. The Plan's failure to qualify under Section 401(a) of the IRC or the failure of the trust to be tax-exempt under Section 501(a) of the IRC
2. Premature termination of the contracts
3. Plan termination or merger
4. Changes to the Plan's prohibition on competing investment options
5. Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations

Plan management believes that no events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Those events may be different under each contract. Examples of such events include the following:

1. An uncured violation of the Plan's investment guidelines
2. A breach of material obligation under the contract
3. A material misrepresentation
4. A material amendment to the agreement without the consent of the issuer

AFC Profit Sharing Plan

Notes to Financial Statements

Note 6. Related-Party and Party-in-Interest Transactions

Section 3(14) of ERISA defines a party-in-interest to include, among others, fiduciaries or employees of the Plan, any person who provides services to the Plan, or an employer whose employees are covered by the Plan. Accordingly, the contributions remitted by the Employer are considered party-in-interest transactions. PRIAC is the recordkeeper of the Plan; therefore, transactions with the recordkeeper qualify as party-in-interest transaction. Fees paid by the Plan to the recordkeeper totaled \$231,058 for the year ended December 31, 2021. CapFinancial Partners, LLC provides investment consulting services to the Plan. Fees paid by the Plan to CapFinancial Partners, LLC for investment consulting services amounted to \$163,908 during the year ended December 31, 2021. Burr Forman LLP provides legal services to the Plan. Fees paid by the Plan to Burr Forman LLP for legal services amounted to \$3,236 during the year ended December 31, 2021. Certain employees of the Company provide administrative services for the Plan and are not reimbursed for their services from the Plan. Certain other administrative expenses are paid by the Company on behalf of the Plan.

Note 7. Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in employer contributions.

Note 8. Tax Status

Effective November 15, 2019, the Plan Adopted a non-standardized form of a prototype plan sponsored by The Prudential Insurance Company of America. The prototype plan has received an opinion letter from the IRS as to the prototype plan's qualified status. The Prototype Plan opinion letter has been relied upon by this Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken any significant uncertain tax positions that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the net assets per the Form 5500:

	December 31	
	2021	2020
Net assets available for benefits per the financial statements	\$ 130,566,070	\$ 133,120,245
Differences in:		
Investments—participant loans	1,499,514	1,656,963
Receivables—notes receivable from participants	(1,499,514)	(1,656,963)
Participants' contribution receivable	(99,563)	(105,700)
Employer's contribution receivable	(610,362)	(432,713)
Deemed distributions	(24,427)	(26,250)
Net assets per the Form 5500	<u>\$ 129,831,718</u>	<u>\$ 132,555,582</u>

AFC Profit Sharing Plan

Notes to Financial Statements

Note 9. Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of the net decrease in net assets available for benefits per these financial statements to net loss per the Form 5500:

	Year Ended December 31, 2021
Net decrease in net assets available for benefits per the financial statements	\$ (2,554,175)
Differences in:	
Participants' contribution receivable	6,137
Employer's contribution receivable	(177,649)
Deemed distributions	1,823
Net loss per the Form 5500	<u>\$ (2,723,864)</u>

Note 10. Prohibited Transactions

During 2021, the Company inadvertently failed to deposit \$884,981 of participant deferrals and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be prohibited transactions. The Company will pay all applicable excise taxes during the year ended December 31, 2022, and lost earnings on the late deposits for 2021 will be remitted to the Plan during 2022.

AFC Profit Sharing Plan

Schedule H, Line 4a—Schedule of Delinquent Participant Contributions Year Ended December 31, 2021

Employer Identification Number: 63-0207695

Plan Number: 005

Participant Contributions Transferred Late to Plan		Total that constitute prohibited nonexempt transactions			
Check Here if Late Participant Loan Repayments are Included ☒	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51	
2021	\$ 884,981	\$ -	\$ -	\$	-

During 2021, the Company inadvertently failed to deposit \$884,981 of participant deferrals and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be prohibited transaction. The Company will pay all applicable excise taxes during the year ended December 31, 2022, and lost earnings on the late deposits for 2021 will be remitted to the Plan during 2022.

AFC Profit Sharing Plan

Schedule H, Line 4i—Schedule of Assets (Held at End of Year) December 31, 2021

Employer Identification Number: 63-0207695

Plan Number: 005

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
		Shares of registered investment companies (mutual funds):		
	T. Rowe Price	T. Rowe Price Institutional Large Cap Core Growth	**	\$ 16,450,908
	MFS	MFS Value Fund Class R6	**	10,966,847
	Vanguard	Vanguard Institutional Index I	**	8,586,741
	JP Morgan	JP Morgan Smart Retirement 2045 Institutional	**	8,464,760
	JP Morgan	JP Morgan Smart Retirement 2025 Institutional	**	7,795,831
	JP Morgan	JP Morgan Smart Retirement 2035 Institutional	**	6,540,838
	JP Morgan	JP Morgan Smart Retirement 2030 Institutional	**	6,369,666
	JP Morgan	JP Morgan Smart Retirement 2040 Institutional	**	5,903,982
	Vanguard	Vanguard Extended Market Index Admiral	**	4,669,920
	JP Morgan	JP Morgan Smart Retirement 2050 Institutional	**	4,375,413
	JP Morgan	JP Morgan Smart Retirement Income	**	3,490,400
	American Funds	American Funds EuroPacific	**	3,224,898
	T. Rowe Price	T. Rowe Price QM US Small Cap Growth	**	2,915,665
	JP Morgan	JP Morgan Smart Retirement 2020 Institutional	**	2,165,190
	JP Morgan	JP Morgan Smart Retirement 2055 Institutional	**	2,044,289
	Vanguard	Vanguard Total Bond Market Index Admiral	**	1,005,420
	Mass Mutual	Mass Mutual Select Mid Cap Growth	**	920,493
	Vanguard	Vanguard Total International Stock Index Admiral	**	798,237
	JP Morgan	JP Morgan Smart Retirement 2060 Institutional	**	604,736
				<u>97,294,234</u>
		Pooled separate accounts:		
	Western Asset	Western Asset Core Plus Bond	**	4,276,514
	Victory Capital Management	Victory Fund	**	1,938,433
	Robeco Investment Management	Robeco Boston Partners Fund	**	1,567,395
				<u>7,782,342</u>
		Guaranteed investment contract:		
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund	**	<u>23,280,055</u>
*	Participants	Participant loans***: 4.25% to 6.50%; maturing through 2036		<u>1,475,087</u>
				<u>\$ 129,831,718</u>

* Indicates a party-in-interest, as defined by ERISA.

** All investments are participant directed; therefore, cost information has not been presented.

*** Net of \$24,427 in deemed loan distributions.

The above information has been certified by Prudential Bank & Trust, F.S.B., the trustee, to be complete and accurate.

AFC Profit Sharing Plan

Financial Report
December 31, 2021

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Independent Auditor's Report

RSM US LLP

Plan Administrator
AFC Profit Sharing Plan

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

We have performed an audit of the financial statements of AFC Profit Sharing Plan (the 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 (DOL) 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 DOL'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 3 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 (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by a qualified institution and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institutions 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 the 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 U.S. GAAP, 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 Plan's ability to continue as a going concern within one year after the date that the financial statements.

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 the 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 the 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 2021 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 U.S. GAAP.

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 U.S. GAAP.

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 Schedules Required by ERISA

The supplemental schedules of delinquent participant contributions for the year ended December 31, 2021 and the schedule of assets (held at end of year) as of December 31, 2021, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL'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 schedules, 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 schedules 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 schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules 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 the Plan. As permitted by 29 CFR 2520.103-8 of the DOL'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 October 6, 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 DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Orlando, Florida
September 22, 2022

AFC Profit Sharing Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value:		
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ 98,655,662
Pooled separate accounts	7,782,342	9,121,545
Investments at contract value:		
Guaranteed investment contract	23,280,055	23,147,662
Total investments	128,356,631	130,924,869
Receivables:		
Participants' contributions	99,563	105,700
Employer's contributions	610,362	432,713
Notes from participants	1,499,514	1,656,963
Total receivables	2,209,439	2,195,376
Net assets available for benefits	\$ 130,566,070	\$ 133,120,245

See notes to financial statements.

AFC Profit Sharing Plan

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

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	\$ 13,869,892
Interest and dividends	2,058,789
	<u>15,928,681</u>
Interest income on notes receivable from participants	81,139
Contributions:	
Participants	6,370,365
Employer, net of forfeitures	3,405,472
Rollovers	919,995
Total additions	<u>26,705,652</u>
Deductions from net assets attributed to:	
Benefits paid to participants	28,861,625
Administrative expenses	398,202
Total deductions	<u>29,259,827</u>
Net decrease in net assets available for benefits	(2,554,175)
Net assets available for benefits:	
Beginning of year	<u>133,120,245</u>
End of year	<u><u>\$ 130,566,070</u></u>

See notes to financial statements.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan

The following description of the AFC Profit Sharing Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General: The Plan, which was established by Alabama Farmers Cooperative Inc. (AFC) and certain of its affiliates (referred to herein collectively as the Company, Employer or Plan Sponsor) on January 1, 1990, and has been amended from time to time thereafter, is a defined contribution plan and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The Plan provides retirement and other plan benefits to substantially all employees of the Employer, who have attained the age of 21. Employees are allowed to participate in the Plan on the first day in which the Plan eligibility requirements are met. The Retirement Plan Committee of AFC (Retirement Plan Committee) is responsible for oversight of the Plan and determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Company's Board of Directors.

During July 2021, the Plan's loan policy was amended to allow terminated participants to continue repayments on the loan after termination, rather than the full loan balance being paid at termination. During October 2021, the Plan was amended to include an employee after-tax contribution option.

Contributions: Plan participants may voluntarily contribute, on a pre-tax or after-tax basis, an unlimited percentage of their annual compensation (up to the Internal Revenue Code (IRC) maximum allowable amount) to the Plan. Participants may also rollover amounts representing distributions from other eligible retirement plans (rollovers). All contributions are held in a trust and invested by the Plan's trustee in accordance with the options elected by the participants (i.e., all investments are participant directed). The maximum allowable voluntary contribution, as determined by the Internal Revenue Service (IRS), was \$19,500 for 2021. Employees age 50 or older may be eligible to make additional catch-up contributions subject to certain limitations and restrictions as determined by the IRS. The maximum catch-up contribution was \$6,500 for 2021.

The Employer makes a matching contribution equal to the sum of 100% of the participant's contributions that is not in excess of 3% of the participant's compensation, plus 50% of the amount of the participant's contributions that exceeds 3% but is not in excess of 5% of the participant's compensation. Additionally, the Employer may contribute a discretionary contribution to the Plan. Discretionary contributions are allocated among the eligible employees who were employed on the last day of the year based on a formula, which takes into account each employee's total compensation for the Plan year and an age weighted factor for each participant. The amount of such discretionary contribution, if any, for any Plan year shall be determined by the Company's Board of Directors. The discretionary contributions for the year ended December 31, 2021, amounted to \$563,030, which is included in employer contributions, net of forfeitures, in the accompanying statement of changes in net assets available for benefits.

Participant accounts: Each participant's account is credited with the participant's contributions, their pro rata share of the Employer's matching contributions and discretionary contributions (if any), an allocation of Plan earnings (including market value adjustments to Plan investments) and charged with allocations of Plan losses and administrative expenses that are paid by the Plan. Allocations of earnings or losses in each investment option are made daily to the individual participant's account based on the ratio of each participant's current account balance in the respective investment option to total Plan participants' account balances in the respective investment option. The benefit to which a participant is entitled is the vested benefit that can be provided from the participant's account.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Vesting: Participant contributions, rollover contributions and employer matching contributions, plus or minus actual earnings or losses thereon have full and immediate vesting. The Employer's discretionary contributions (and earnings or losses thereon) vest according to the following schedule:

Years of Service	Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

An affected participant's account becomes fully vested regardless of the above vesting schedules upon the participant's death, total disability, attaining normal retirement age, upon the complete discontinuance of the Employer contributions to the Plan or upon full or partial termination of the Plan.

Investment options: Upon enrollment in the Plan, participants may elect to invest both participant and Employer contributions in various investment options, as more fully described in the Plan agreement. Participants can change their contribution percentages and investment options or make fund transfers at any time.

Notes receivable from participants: Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 reduced by the highest outstanding participant note balance or 50% of the participant's vested account balance in the Plan. A participant may not have more than one note outstanding at any time. The notes are collateralized by a portion of the balance in the participant's account and bear a reasonable fixed rate of interest (prime plus 1% as determined on the first business day of each month), which ranged from 4.25% to 6.50% as of December 31, 2021, and mature through 2036. Principal and interest are paid ratably through payroll deductions. Notes are subject to repayment terms not to exceed a period of five years, unless the funds are used to purchase a participant's principal residence, which must be repaid within a reasonable period of time, not to exceed 15 years.

Payment of benefits: Distributions of a participant's account are made upon retirement from the Employer, in cases of financial hardship, termination from service with the Employer, death or permanent and total disability. Distributions of participant's accounts will be made as soon as administratively practical. The normal retirement age, as defined by the Plan, is 62. The early retirement age, as defined by the Plan, is the date at which participants reach the age of 55 and have completed six years of service. Participants still employed who have reached the age of 59½ and are 100% vested are eligible for an in-service distribution of all or a portion of their vested balance. Distributions of benefits greater than \$5,000 may be made in one of the following methods as elected by the participant: (1) one lump-sum payment of the entire balance in cash, (2) monthly, quarterly, semi-annual or annual installments over a period of not more than the assumed life expectancy of the individual participant (or the life expectancy of the participant and the participant's beneficiary) or (3) annuity payments. If no election is made, then the participant shall receive their vested balance in the form of a joint and survivor annuity. Participants whose vested balance is less than \$5,000 will receive their vested interest in a lump-sum payment regardless of the participant's consent to distribute. The Plan allows participants that are less than 72 to defer payments until they cease employment.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 1. Description of Plan (Continued)

Forfeitures of accounts: Any non-vested participant account balance is forfeited at the earlier of the following: (1) after the distribution of a terminated participant's vested account balance or (2) the last day of the Plan year in which a participant who has severed employment with the Employer incurs five consecutive one-year breaks in service. Forfeitures of participants' non-vested account balances are to be used to pay administrative expenses of the Plan or to reduce Employer contributions to the Plan. During the year ended December 31, 2021, no forfeitures were used to pay administrative expenses and forfeitures of \$177,450 were used to reduce Employer contributions. As of December 31, 2021 and 2020, the remaining balance of forfeited non-vested accounts totaled \$28,482 and \$165,494, respectively.

Note 2. Summary of Significant Accounting Policies

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

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires the Plan's management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from those estimates.

Investment valuation and income recognition: Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan Sponsor's Benefit Committee determines the Plan's valuation policies utilizing information provided by the trustee. See Note 4 for discussion of fair value measurements.

Investments 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 measurement for the portion of the net assets available for benefits 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.

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

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

Notes receivable from participants: Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make the scheduled repayments and the Plan Administrator deems the participant to be in default, the participant's note receivable is reduced and a benefit payment is recorded based on the terms of the Plan. No allowance for credit losses has been recorded as of December 31, 2021 and 2020.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Excess contributions payable: Participant contributions in excess of amounts allowed by the IRS are recorded as a liability with a corresponding reduction in contributions.

Payment of benefits: Benefits are recorded when paid.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Administrative expenses include fees related to the administration of notes receivable that are charged directly to the participant's account and certain recordkeeping and investment consulting fees paid by the Plan. Investment related expenses are included in net appreciation in fair value of investments.

Subsequent events: The Plan Administrator has evaluated subsequent events (events occurring after December 31, 2021) through September 22, 2022, the date the financial statements were available to be issued.

Effective January 1, 2022, the Plan Sponsor restructured and the Plan became a multiple employer plan (MEP). The Plan will be amended and restated to transition to a MEP during 2022.

Note 3. Information Certified or Provided by Prudential Bank & Trust, F.S.B. (Trustee)

The following is a summary of the Plan's asset information as of December 31, 2021 and 2020, and for the year ended December 31, 2021, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by Prudential Bank & Trust, F.S.B., the trustee of the Plan. The Plan Administrator has obtained certifications from the trustee that information provided to the Plan Administrator by the trustee related to the following assets is complete and accurate. Accordingly, 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 the Plan's independent auditors not to perform any auditing procedures with respect to the information that appears throughout the financial statements and ERISA-required supplemental schedules related to the following assets:

	December 31	
	2021	2020
Investments at fair value:		
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ 98,655,662
Pooled separate accounts	7,782,342	9,121,545
	<u>\$105,076,576</u>	<u>\$107,777,207</u>
Investments at contract value:		
Guaranteed investment contract	\$ 23,280,055	\$ 23,147,662
	<u>\$ 23,280,055</u>	<u>\$ 23,147,662</u>
Notes receivable from participants	<u>\$ 1,499,514</u>	<u>\$ 1,656,963</u>

Prudential has certified the completeness and accuracy of \$13,869,892 of net appreciation in fair value of investments, \$81,139 of interest income on notes receivable from participants, and \$2,058,789 of interest and dividends related to the aforementioned Plan assets for the period ending December 31, 2021.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 4. Fair Value Measurements

The framework measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Shares of registered investment companies (mutual funds): Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Pooled separate accounts: Valued at the NAV of shares in each account held by the Plan at year end. The NAV is not a publicly-quoted price in an active market. The NAV, as provided by the insurance carrier, is used as a practical expedient to estimating fair value.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 4. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

Description	Assets at Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies (mutual funds)	\$ 97,294,234	\$ -	\$ -	\$ 97,294,234
Investments measured at NAV (a)				7,782,342
Investments at fair value				\$ 105,076,576

Description	Assets at Fair Value as of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Shares of registered investment companies (mutual funds)	\$ 98,655,662	\$ -	\$ -	98,655,662
Investments measured at NAV (a)				9,121,545
Investments at fair value				\$ 107,777,207

- (a) In accordance with the Fair Value Measurements topic, certain investments that were measured at NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

The following table summarizes investments for which fair value is estimated using NAV per share (or its equivalent), as a practical expedient, as of December 31, 2021 and 2020:

	Fair Value Estimated Using NAV Per Share				
	Fair Value		Unfunded Commitment	Redemption Frequency	Redemption Notice Period
	December 31 2021	December 31 2020			
Pooled separate accounts:					
Western Asset Core Plus Bond	\$ 4,276,514	\$ 5,870,575	None	Daily	None
Victory Fund	1,938,433	1,759,805	None	Daily	None
Robeco Boston Partners Fund	1,567,395	1,491,165	None	Daily	None
Total	\$ 7,782,342	\$ 9,121,545			

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another.

The Plan evaluates the significance of transfers between levels based upon the nature of the investment and size of the transfer relative to total net assets available for benefits.

AFC Profit Sharing Plan

Notes to Financial Statements

Note 5. Fully Benefit-Responsive Investment Contracts

The Plan has a traditional, fully benefit-responsive guaranteed investment contract with Prudential Retirement Insurance and Annuity Company (PRIAC) that is reported at contract value. PRIAC maintains the contributions in a general account. The account is credited with contributions, earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The crediting interest rate is based on a formula agreed upon with the issuer, but it may not be less than 1.5%. Such interest rates are reviewed on an annual basis for resetting. The contract cannot be terminated before the scheduled maturity date.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive investment contract is dependent on the third-party issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with contract issuer. Examples of such events include the following:

1. The Plan's failure to qualify under Section 401(a) of the IRC or the failure of the trust to be tax-exempt under Section 501(a) of the IRC
2. Premature termination of the contracts
3. Plan termination or merger
4. Changes to the Plan's prohibition on competing investment options
5. Bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spinoffs of a subsidiary) that significantly affect the Plan's normal operations

Plan management believes that no events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuers and that also would limit the ability of the Plan to transact at contract value with the participants.

In addition, certain events allow the issuer to terminate the contract with the Plan and settle at an amount different from contract value. Those events may be different under each contract. Examples of such events include the following:

1. An uncured violation of the Plan's investment guidelines
2. A breach of material obligation under the contract
3. A material misrepresentation
4. A material amendment to the agreement without the consent of the issuer

AFC Profit Sharing Plan

Notes to Financial Statements

Note 6. Related-Party and Party-in-Interest Transactions

Section 3(14) of ERISA defines a party-in-interest to include, among others, fiduciaries or employees of the Plan, any person who provides services to the Plan, or an employer whose employees are covered by the Plan. Accordingly, the contributions remitted by the Employer are considered party-in-interest transactions. PRIAC is the recordkeeper of the Plan; therefore, transactions with the recordkeeper qualify as party-in-interest transaction. Fees paid by the Plan to the recordkeeper totaled \$231,058 for the year ended December 31, 2021. CapFinancial Partners, LLC provides investment consulting services to the Plan. Fees paid by the Plan to CapFinancial Partners, LLC for investment consulting services amounted to \$163,908 during the year ended December 31, 2021. Burr Forman LLP provides legal services to the Plan. Fees paid by the Plan to Burr Forman LLP for legal services amounted to \$3,236 during the year ended December 31, 2021. Certain employees of the Company provide administrative services for the Plan and are not reimbursed for their services from the Plan. Certain other administrative expenses are paid by the Company on behalf of the Plan.

Note 7. Plan Termination

Although it has not expressed any intent to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100% vested in employer contributions.

Note 8. Tax Status

Effective November 15, 2019, the Plan Adopted a non-standardized form of a prototype plan sponsored by The Prudential Insurance Company of America. The prototype plan has received an opinion letter from the IRS as to the prototype plan's qualified status. The Prototype Plan opinion letter has been relied upon by this Plan. The Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken any significant uncertain tax positions that more likely than not would not be sustained upon examination. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the net assets per the Form 5500:

	December 31	
	2021	2020
Net assets available for benefits per the financial statements	\$ 130,566,070	\$ 133,120,245
Differences in:		
Investments—participant loans	1,499,514	1,656,963
Receivables—notes receivable from participants	(1,499,514)	(1,656,963)
Participants' contribution receivable	(99,563)	(105,700)
Employer's contribution receivable	(610,362)	(432,713)
Deemed distributions	(24,427)	(26,250)
Net assets per the Form 5500	<u>\$ 129,831,718</u>	<u>\$ 132,555,582</u>

AFC Profit Sharing Plan

Notes to Financial Statements

Note 9. Reconciliation of Financial Statements to Form 5500 (Continued)

The following is a reconciliation of the net decrease in net assets available for benefits per these financial statements to net loss per the Form 5500:

	Year Ended December 31, 2021
Net decrease in net assets available for benefits per the financial statements	\$ (2,554,175)
Differences in:	
Participants' contribution receivable	6,137
Employer's contribution receivable	(177,649)
Deemed distributions	1,823
Net loss per the Form 5500	<u>\$ (2,723,864)</u>

Note 10. Prohibited Transactions

During 2021, the Company inadvertently failed to deposit \$884,981 of participant deferrals and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be prohibited transactions. The Company will pay all applicable excise taxes during the year ended December 31, 2022, and lost earnings on the late deposits for 2021 will be remitted to the Plan during 2022.

AFC Profit Sharing Plan

Schedule H, Line 4a—Schedule of Delinquent Participant Contributions Year Ended December 31, 2021

Employer Identification Number: 63-0207695

Plan Number: 005

Participant Contributions Transferred Late to Plan		Total that constitute prohibited nonexempt transactions			
Check Here if Late Participant Loan Repayments are Included ☒	Contributions not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	Total Fully Corrected Under VFCP and PTE 2002-51	
2021	\$ 884,981	\$ -	\$ -	\$ -	-

During 2021, the Company inadvertently failed to deposit \$884,981 of participant deferrals and loan repayments within the required timeframe as stated by the DOL. The DOL considers late deposits to be prohibited transaction. The Company will pay all applicable excise taxes during the year ended December 31, 2022, and lost earnings on the late deposits for 2021 will be remitted to the Plan during 2022.

AFC Profit Sharing Plan

Schedule H, Line 4i—Schedule of Assets (Held at End of Year) December 31, 2021

Employer Identification Number: 63-0207695

Plan Number: 005

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
		Shares of registered investment companies (mutual funds):		
	T. Rowe Price	T. Rowe Price Institutional Large Cap Core Growth	**	\$ 16,450,908
	MFS	MFS Value Fund Class R6	**	10,966,847
	Vanguard	Vanguard Institutional Index I	**	8,586,741
	JP Morgan	JP Morgan Smart Retirement 2045 Institutional	**	8,464,760
	JP Morgan	JP Morgan Smart Retirement 2025 Institutional	**	7,795,831
	JP Morgan	JP Morgan Smart Retirement 2035 Institutional	**	6,540,838
	JP Morgan	JP Morgan Smart Retirement 2030 Institutional	**	6,369,666
	JP Morgan	JP Morgan Smart Retirement 2040 Institutional	**	5,903,982
	Vanguard	Vanguard Extended Market Index Admiral	**	4,669,920
	JP Morgan	JP Morgan Smart Retirement 2050 Institutional	**	4,375,413
	JP Morgan	JP Morgan Smart Retirement Income	**	3,490,400
	American Funds	American Funds EuroPacific	**	3,224,898
	T. Rowe Price	T. Rowe Price QM US Small Cap Growth	**	2,915,665
	JP Morgan	JP Morgan Smart Retirement 2020 Institutional	**	2,165,190
	JP Morgan	JP Morgan Smart Retirement 2055 Institutional	**	2,044,289
	Vanguard	Vanguard Total Bond Market Index Admiral	**	1,005,420
	Mass Mutual	Mass Mutual Select Mid Cap Growth	**	920,493
	Vanguard	Vanguard Total International Stock Index Admiral	**	798,237
	JP Morgan	JP Morgan Smart Retirement 2060 Institutional	**	604,736
				<u>97,294,234</u>
		Pooled separate accounts:		
	Western Asset	Western Asset Core Plus Bond	**	4,276,514
	Victory Capital Management	Victory Fund	**	1,938,433
	Robeco Investment Management	Robeco Boston Partners Fund	**	1,567,395
				<u>7,782,342</u>
		Guaranteed investment contract:		
*	Prudential Retirement Insurance and Annuity Company	Guaranteed Income Fund	**	<u>23,280,055</u>
*	Participants	Participant loans***: 4.25% to 6.50%; maturing through 2036		<u>1,475,087</u>
				<u>\$ 129,831,718</u>

* Indicates a party-in-interest, as defined by ERISA.

** All investments are participant directed; therefore, cost information has not been presented.

*** Net of \$24,427 in deemed loan distributions.

The above information has been certified by Prudential Bank & Trust, F.S.B., the trustee, to be complete and accurate.