

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 2022 This Form is Open to Public Inspection
--	---	---

Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
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 SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
1b	Three-digit plan number (PN) ▶ 002
1c	Effective date of plan 04/01/1987
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) SAM HOUSTON ELECTRIC COOPERATIVE, INC. 1157 E. CHURCH STREET LIVINGSTON, TX 77351
2b	Employer Identification Number (EIN) 74-0695563
2c	Plan Sponsor's telephone number 936-328-1214
2d	Business code (see instructions) 221100

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.	07/27/2023	JOSEPH CONNER
	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 (2022)
v. 220413

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		5 170
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) 159
a(2) Total number of active participants at the end of the plan year		6a(2) 158
b Retired or separated participants receiving benefits		6b 2
c Other retired or separated participants entitled to future benefits.....		6c 12
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 172
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 0
f Total. Add lines 6d and 6e		6f 172
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g 168
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2C 2E 2F 2G 2J 2T		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)
(1) ☒ Insurance	(1) ☒ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust	(3) ☒ Trust	
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules		b General Schedules
(1) ☒ R (Retirement Plan Information)	(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) ☒ 1 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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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 2022 This Form is Open to Public Inspection
--	--	--

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 SAM HOUSTON ELECTRIC COOPERATIVE, INC.	D Employer Identification Number (EIN) 74-0695563	

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

1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	619502	173	01/01/2022	12/31/2022

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	1622

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
ALLIANCE BENEFIT GROUP OF HOUSTON 7908 N SAM HOUSTON PKWY W #500 HOUSTON, TX 77064

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	1622	REFERRALS/SERVICE FEE	3

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information

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

4	Current value of plan's interest under this contract in the general account at year end.....	4	0
5	Current value of plan's interest under this contract in separate accounts at year end.....	5	2100139

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

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

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

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

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

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

b	Balance at the end of the previous year	7b	0
----------	---	-----------	----------

c	Additions: (1) Contributions deposited during the year	7c(1)		
	(2) Dividends and credits	7c(2)		
	(3) Interest credited during the year	7c(3)		
	(4) Transferred from separate account	7c(4)		
	(5) Other (specify below)	7c(5)		

(6) Total additions	7c(6)	0
---------------------------	--------------	----------

d Total of balance and additions (add lines 7b and 7c(6))	7d	0
---	-----------	----------

e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier	7e(2)		
(3) Transferred to separate account	7e(3)		
(4) Other (specify below)	7e(4)		

(5) Total deductions	7e(5)	0
----------------------------	--------------	----------

f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0
---	-----------	----------

Part III Welfare Benefit Contract Information

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 SAM HOUSTON ELECTRIC COOPERATIVE, INC.	D Employer Identification Number (EIN) 74-0695563	

Part I	Service Provider Information (see instructions)
--------	---

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 37 50 64	CONTRACT ADMINISTRATOR	145017	Yes ☒ No ☐	Yes ☒ No ☐	82	Yes ☐ No ☒

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

CETERA ADVISORS LLC

84-0858799

(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 99	INVESTMENT ADVISORY	0	Yes ☒ No ☐	Yes ☐ No ☒	54183	Yes ☐ No ☒

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

ALLIANCE BENEFIT GROUP OF HOUSTON

76-0500416

(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 49 99 50	CONTRACT ADMINISTRATOR	0	Yes ☒ No ☐	Yes ☐ No ☒	48106	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)

AXLEY & RODE

75-0767305

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 99	ACCOUNTANT	0	Yes ☒ No ☐	Yes ☐ No ☒	12500	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
CETERA ADVISORS LLC	27 99	54183
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRINCIPAL LIFE INSURANCE COMPANY 42-0127290	INVESTMENT ADVISORY (PLAN)	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ALLIANCE BENEFIT GROUP OF HOUSTON	13 49 99 50	48106
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRINCIPAL LIFE INSURANCE CO. 42-0127290	CONTRACT ADMINISTRATOR	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AXLEY & RODE, LLP	10 99	12500
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PRINCIPAL LIFE INSURANCE CO. 42-0127290	ACCOUNTANT	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
---	--	---

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN	B Three-digit plan number (PN) ►	002
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 SAM HOUSTON ELECTRIC COOPERATIVE, INC.	D Employer Identification Number (EIN) 74-0695563	

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

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LGCP S&P 500 INDEX SA-Z			
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO			
c EIN-PN 42-0127290-016	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 968630	
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN SMCAP S&P 600 INDEX SA-Z			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-028	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 559381	
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN MIDCAP S&P 400 IDX SA-Z			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 42-0127290-023	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 572128	
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2010 CIT Z			
b Name of sponsor of entity listed in (a): PRINCIPAL LIFE INSURANCE COMPANY			
c EIN-PN 26-6447574-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 873045	
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2020 CIT Z			
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO			
c EIN-PN 26-6447574-003	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4059979	
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2025 CIT Z			
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO			
c EIN-PN 26-6447574-004	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2801820	
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2030 CIT Z			
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO			
c EIN-PN 26-6447574-005	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 809306	

a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBRD 2035 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-006	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 736337
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2040 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-007	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 411402
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2045 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-008	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 468593
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2050 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-009	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1134324
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2055 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-010	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 164386
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2060 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-012	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 106490
a Name of MTIA, CCT, PSA, or 103-12 IE: PRINCIPAL STABLE VALUE Z FUND		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 93-6274328-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4414980
a Name of MTIA, CCT, PSA, or 103-12 IE: PRIN LIFETIME HYBR 2065 CIT Z		
b Name of sponsor of entity listed in (a): PRINCIPAL GLOBAL INVESTORS TRUST CO		
c EIN-PN 26-6447574-013	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3965
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 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN</u>		B Three-digit plan number (PN) <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SAM HOUSTON ELECTRIC COOPERATIVE, INC.</u>		D Employer Identification Number (EIN) <u>74-0695563</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
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)	1169078	970476
(9) Value of interest in common/collective trusts.....	1c(9)	19967688	15984627
(10) Value of interest in pooled separate accounts	1c(10)	2524310	2100139
(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)	15169840	13103253
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	293032	195721

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	39123948	32354216

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	39123948	32354216
---	-----------	----------	----------

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)	774117	
(B) Participants	2a(1)(B)	1091631	
(C) Others (including rollovers)	2a(1)(C)	18535	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1884283
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)	52963	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		52963
(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)	229440	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		229440
(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)		-2097232
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		-398459
(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)		-3011011
c Other income	2c		-107189
d Total income. Add all income amounts in column (b) and enter total	2d		-3447205
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3183954	
(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)		3183954
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	7407	
(2) Contract administrator fees	2i(2)	130892	
(3) Investment advisory and management fees	2i(3)	274	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		138573
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3322527
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-6769732
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: **AXLEY RODE, LLP**

(2) EIN: **75-0767305**

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 SAM HOUSTON ELECTRIC COOPERATIVE, INC.		D Employer Identification Number (EIN) 74-0695563
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 42-0127290		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3 12
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a 774117
b Enter the amount contributed by the employer to the plan for this plan year.....		6b 774117
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 0
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☒ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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 _____

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT

SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
Livingston, Texas

December 31, 2022 and 2021

C O N T E N T S

Independent Auditors' Report.....	3
Statements of Net Assets Available for Benefits.....	6
Statement of Changes in Net Assets Available for Benefits.....	7
Notes to the Financial Statements.....	8
Supplementary Information:	
Schedule of Assets (Held at End of Year)	14
Schedule of Assets (Acquired and Disposed within the Year)	16

INDEPENDENT AUDITORS' REPORT

Board of Directors
Sam Houston Electric Cooperative, Inc.
Pension Plan

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

We have performed audits of the accompanying financial statements of Sam Houston Electric Cooperative, Inc. Pension 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 statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statement of changes of net assets available for benefits for the year ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of Sam Houston Electric Cooperative, Inc. Pension Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulation 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 Department of Labor's Rules and Regulation for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the year then ended December 31, 2022, stating that the certified investment information, as described in Note G to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audits and the procedures performed as described in the Auditor's Responsibilities for the Audits of the Financial Statements section -

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

Basis for Opinion

We conducted our audits 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 Financial Statements section of our report. We are required to be independent of Sam Houston Electric Cooperative, Inc. Pension Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Sam Houston Electric Cooperative, Inc. Pension Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit 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 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, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these 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 Sam Houston Electric Cooperative, Inc. Pension 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 Sam Houston Electric Cooperative, Inc. Pension Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Supplemental Schedules Required by ERISA

The supplemental Schedules of Schedule of Assets (Held at End of Year) and Schedule of Assets (Acquired and Disposed within the Year) are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits 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 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 Department of Labor's Rules and Regulation 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 Department of Labor'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 qualified institution agrees to , or is derived form, 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).

Lufkin, Texas
July 18, 2023


CERTIFIED PUBLIC ACCOUNTANTS

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,	
	2022	2021
ASSETS		
Investments at Fair Value:		
Shares of registered investment companies	\$ 13 103 258	\$ 15 169 849
Stable value fund	4 414 980	5 666 790
Collective investment trust funds	11 569 648	14 300 898
Pooled separate accounts	2 100 141	2 524 312
Self-directed brokerage accounts	195 721	293 032
TOTAL INVESTMENTS, AT FAIR VALUE	31 383 748	37 954 881
Receivable:		
Notes receivable from participants	969 911	1 168 252
TOTAL ASSETS	32 353 659	39 123 133
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ 32 353 659	\$ 39 123 133

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

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
For the Year Ended December 31, 2022

Additions:

Investment Income:

Net appreciation (depreciation) in fair value of investments	\$ (5 992 380)
Dividends and capital gain distributions	<u>615 190</u>
	<u>(5 377 190)</u>

Interest income on notes receivable from participants	<u>52 963</u>
---	---------------

Contributions:

Participant	1 091 631
Employer	774 117
Rollover	<u>18 535</u>
TOTAL CONTRIBUTIONS	<u>1 884 283</u>

TOTAL ADDITIONS	<u>(3 439 944)</u>
-----------------	--------------------

Deductions:

Benefits paid to participants/beneficiaries	3 184 112
Administrative expenses	<u>145 418</u>
TOTAL DEDUCTIONS	<u>3 329 530</u>

NET INCREASE (DECREASE)	(6 769 474)
-------------------------	-------------

Net Assets Available for Benefits:

Beginning of year	<u>39 123 133</u>
-------------------	-------------------

END OF YEAR	<u>\$ 32 353 659</u>
-------------	----------------------

The accompanying notes are an integral part of this financial statement.

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS

NOTE A - DESCRIPTION OF PLAN

The following description of Sam Houston Electric Cooperative, Inc. ("Company") Pension Plan ("Plan") provides only general information. For a more complete description of the Plan's provisions, refer to the Plan agreement.

1. General. The Plan is a defined contribution plan covering all employees of the Company. Effective April 1, 2011, each employee of the Company shall be eligible to become a participant in the Plan on the first day of the month following the date on which he or she has been employed by the Company for 120 consecutive days. The Company contributions are made to participants who have completed one year of eligibility service. A year of eligibility of service is a twelve-month period during which at least 1,000 hours is worked. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).
2. Contributions and Forfeitures. Participants may make employee elective contributions in the form of a salary reduction agreement. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also make employee Roth contributions and voluntary employee contributions in the form of a salary reduction agreement, which are always made on an after-tax basis. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company contributes 6 percent of a participant's compensation (as defined) to the Plan. Participants may direct the investment of both their contributions and the Company's matching contribution into various approved investment options. Contributions are subject to certain limitations. A forfeiture is a terminated participant's unvested account balance. See vesting provisions below. These forfeitures will be used to reduce Company's contributions or plan expenses in future periods. The activity in the forfeiture account was as follows for the years presented:

Balance December 31, 2020	\$ -
Amounts forfeited	183
Investment earnings	(2)
Offset of administrative expenses	<u>(181)</u>
Balance December 31, 2021	-
Amounts forfeited	-
Investment earnings	-
Offset of administrative expenses	<u>-</u>
Balance December 31, 2022	\$ <u>-</u>

3. Participant Accounts. Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution, and (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on compensation and account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.
4. Vesting. Participants are immediately vested in all contributions plus actual earnings thereon. Amounts forfeited for the years presented were amounts remitted to the Plan that did not meet the eligible contributions based on provisions in the plan document.
5. Payment of Benefits. With respect to Participant whose termination is due to death, disability or retirement and is married, his or her benefit shall automatically be paid in the form of a Qualified Joint and Survivor Annuity, or electing a Qualified Optional Survivor Annuity, and with respect to a Participant whose termination is due to death, disability or retirement and is unmarried, his or her benefit shall automatically be paid in the form of a Single Life Annuity. Participant may file timely Qualified Election to be paid out in the following manners:
 - a. A single lump sum payment; or
 - b. Installment payments over a period not exceeding fifteen (15) years; or
 - c. A Qualified Joint and Survivor Annuity with a ten (10) certain guarantee; or
 - d. A Joint and Survivor Annuity; or
 - e. Periodic withdrawals on or after attainment of age fifty-five (55) and prior to the attainment of age fifty nine and one-half (59 1/2). A Participant who elects this periodic withdrawal form if distribution may elect withdrawals in any amount no more frequently than quarterly and such Participant must elect to receive up attainment of age fifty-nine and one-half (59 1/2) the remaining amount in his account in the form of a single lump sum payment, installment payments over a period not exceeding fifteen (15) years, a Qualified Joint and Survivor Annuity with a ten (10) year certain guarantee, or a Joint and Survivor Annuity.

For termination prior to normal retirement age, a participant with an account balance in excess of five thousand dollars (\$5,000) may receive the value of the interest in his or her account as a lump-sum distribution with written consent. Participants with an account balance of five thousand dollars (\$5,000) or less may be immediately distributed to the Participant without written consent.

6. Investment Options. Upon enrollment in the Plan, a participant may direct both their employee and employer contributions of the 401(k) deferral plan in various investment options. Participants may change their investment options daily.

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

NOTE A - DESCRIPTION OF PLAN - CONTINUED

7. Notes Receivable From Participants. Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The notes are secured by the balance in the participant's account and bear interest at rates ranging from 4.25% to 7.25% which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through monthly payroll deductions.
8. Operating Expenses. All expenses incurred in the administration of the Plan are paid from the Plan's assets unless paid by the Company.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting in all material respects.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Plan at year-end. The Investment Committee determines the Plan's valuation policies. See Note C for discussion of fair value measurements.

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

Payment of Benefits

Benefits are recorded when paid.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("GAAP") requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Accordingly, actual results may differ from those estimates.

Risk and Uncertainties

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest is not reflected in the balance of notes receivable from participants for the years presented, and management has determined this amount to not be significant. Therefore, interest on notes receivable from participants is recorded when received. Related fees are charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of December 31, 2022 and 2021, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced, and the delinquent participant note receivable is recorded as a benefit payment based on the terms of the Plan document.

Subsequent Events

Subsequent events were evaluated through July 18, 2023, which is the date the financial statements were available to be issued, and there have been no material events that would require recognition in the financial statements or disclosure in the notes to the financial statements.

NOTE C - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement authoritative literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1, Level 2, and Level 3. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value; Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

NOTE C - FAIR VALUE MEASUREMENTS - CONTINUED

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access at the measurement date. Investments whose values are based on quoted market prices in active markets, and whose values are therefore classified as Level 1 prices, include active listed equities and mutual funds.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for valuing the asset or liability, either directly or indirectly (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). As of December 31, 2022 and 2021, the Plan had no Level 2 investments.

Level 3 inputs are unobservable inputs for the asset or liability. Investments whose values are classified as Level 3 prices have significant unobservable inputs, as they may trade infrequently or not at all. When observable prices are not available for these securities, the Funds use one or more valuation techniques for which sufficient and reliable data is available.

As of December 31, 2022 and 2021, the Plan had no Level 3 investments.

The 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, 2022 and 2021.

Self-Directed Brokerage Accounts - Accounts primarily consist of mutual funds and common stocks that are valued on the basis of readily determinable market prices.

Shares of Registered Investment Companies - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the U. S. Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Pooled Separate Accounts - Accounts are valued at a calculated unit value that is based on the observable net asset value of the underlying domestic stock.

Stable Value and Collective Investment Trust Funds - A stable value fund that is composed primarily of fully benefit-responsive investment contracts is valued at the net asset value of units of the bank collective trust. The collective investment trusts invest in collective trust funds as well as a variety of separate accounts and mutual funds. The fair value of the collective investment trusts and the separate accounts are not publicly quoted pricing inputs. The fair value of mutual funds are publicly quoted pricing inputs. The fair value of all these investments are used in determining the net asset value of the collective investment trust, which is not publicly quoted. The net asset value for these investments is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investments for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the investments, the issuer reserves the right to require one day notification in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table represents the Plan's investments reported at fair value in the accompanying statement of net assets available for benefits at December 31, 2022 and 2021.

	FAIR VALUE	FAIR VALUE MEASUREMENTS AT REPORTING DATE USING		
		QUOTED PRICES IN ACTIVE MARKETS FOR IDENTICAL ASSETS/LIABILITIES (LEVEL 1)	SIGNIFICANT OTHER OBSERVABLE INPUTS (LEVEL 2)	SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)
December 31, 2022:				
Shares of registered investment companies	\$ 13 103 258	\$ 13 103 258	\$ -	\$ -
Pooled separate accounts	2 100 141	2 100 141	-	-
Self-directed brokerage account	195 721	195 721	-	-
TOTAL ASSETS IN THE FAIR VALUE HIERARCHY	15 399 120	15 399 120	-	-
Investments measured at net asset value ^(a)	15 984 628	-	-	-
INVESTMENTS AT FAIR VALUE	\$ 31 383 748	\$ 15 399 120	\$ -	\$ -
December 31, 2021:				
Shares of registered investment companies	\$ 15 169 849	\$ 15 169 849	\$ -	\$ -
Pooled separate accounts	2 524 312	2 524 312	-	-
Self-directed brokerage account	293 032	293 032	-	-
TOTAL ASSETS IN THE FAIR VALUE HIERARCHY	17 987 193	17 987 193	-	-
Investments measured at net asset value ^(a)	19 967 688	-	-	-
INVESTMENTS AT FAIR VALUE	\$ 37 954 881	\$ 17 987 193	\$ -	\$ -

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) 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 statement of net assets available for benefits.

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

NOTE C - FAIR VALUE MEASUREMENTS - CONTINUED

Gains and losses included in changes in net assets available for benefits for the years ended December 31, 2022 and 2021, are reported in net appreciation (depreciation) in fair value of investments.

The following table for December 31, 2022 sets forth a summary of information for the Plan's investments with a reported NAV:

	FAIR VALUE 12/31/2022	UNFUNDED COMMITMENT	REDEMPTION FREQUENCY	REDEMPTION NOTICE PERIOD
Collective investment trust funds	\$ 11 569 648	\$ -	Daily	1 day
Stable value fund	\$ 4 414 980	\$ -	Daily	1 day

The following table for December 31, 2021 sets forth a summary of information for the Plan's investments with a reported NAV:

	FAIR VALUE 12/31/2021	UNFUNDED COMMITMENT	REDEMPTION FREQUENCY	REDEMPTION NOTICE PERIOD
Collective investment trust funds	\$ 14 300 898	\$ -	Daily	1 day
Stable value fund	\$ 5 666 790	\$ -	Daily	1 day

NOTE D - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE E - TAX STATUS

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

The Internal Revenue Service has determined and informed the Company by a letter dated September 12, 2014 that the Plan qualifies under Section 401(a) of the Internal Revenue Code and, therefore, is not subject to tax under present income tax laws. Once qualified, the Plan is required to operate in conformity with the Internal Revenue Code to maintain its qualification. The Company intends to make all necessary amendments to the Plan in order to maintain its qualification, and the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code and therefore believe that the Plan is qualified and the related trust is tax-exempt.

NOTE F - ADMINISTRATION OF PLAN ASSETS

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee (or the Company) receives compensation from the Plan. The Company also pays a portion of the Plan's administrative expenses.

NOTE G - INFORMATION PREPARED AND CERTIFIED BY TRUSTEES

The following information included in the accompanying financial statements and supplemental schedules was obtained from data that has been prepared and certified to as complete and accurate by the trustee, Principal Trust Company. This information has not been audited by the Plan's independent auditors.

	2022	2021
Investments:		
Shares of registered investment companies	\$ 13 103 258	\$ 15 169 849
Stable value fund	\$ 4 414 980	\$ 5 666 790
Collective investment trust funds	\$ 11 569 648	\$ 14 300 898
Pooled Separate accounts	\$ 2 100 141	\$ 2 524 312
Self-directed brokerage accounts	\$ 195 721	\$ 293 032
Notes receivable from participants	\$ 969 911	\$ 1 168 252
Investment income (loss)	\$ (5 377 190)	
Interest income on notes receivable from participants	\$ 52 963	

SAM HOUSTON ELECTRIC COOPERATIVE, INC. PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

NOTE H - PARTY-IN-INTEREST

The Plan invests in common/collective trust funds, shares of registered investment companies, and a stable value fund managed by Principal Financial Group, an affiliate of the Trustee. The Plan also invests in pooled separate accounts managed by Principal Life Insurance Company, an affiliate of the Trustee. As such, transactions related to these investments qualify as party-in-interest transactions and are exempt from the prohibited transaction rules of ERISA.

The Plan makes loans available to participants on a nondiscriminatory basis. Since plan participants are employees of the plan sponsor, they are considered parties-in-interest. Loans to plan participants are considered an exception to the Prohibited Transaction Rules of ERISA, since the loans are adequately secured, bear a reasonable interest rate and do not exceed certain limits.

NOTE I - RECONCILIATION OF FINANCIAL STATEMENTS TO SCHEDULE H OF FORM 5500

The following is a reconciliation of amounts per the financial statements to Schedule H of Form 5500:

	2022	2021
Net assets available for benefits per the financial statements	\$ 32 353 659	\$ 39 123 133
Accrued interest on notes receivable from participants	565	826
Reporting valuation variance	(8)	(11)
NET ASSETS AVAILABLE FOR BENEFITS PER SCHEDULE H OF THE FORM 5500	\$ 32 354 216	\$ 39 123 948
	DECEMBER 31, 2022	
Net Income (Loss):		
Net increase per the financial statements	\$ (6 769 474)	
Change in accrued interest on notes receivable from participants	(261)	
Reporting valuation variance	3	
NET INCOME (LOSS) PER SCHEDULE H ON THE FORM 5500	\$ (6 769 732)	

SUPPLEMENTARY INFORMATION

FORM 5500 - SCHEDULE H, PART IV, 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
December 31, 2022

EIN #74-0695563
PIN #002

(a)	(b) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	** (d) COST	(e) CURRENT VALUE
	The American Funds	Registered Investment Company American Funds American Balanced R6 Fund	\$ -	\$ 554 888
	The American Funds	Registered Investment Company American Funds New World R6 Fund	\$ -	897 649
	Delaware Investments	Registered Investment Company Delaware Small Cap Value R6 Fund	\$ -	618 896
	Dimensional Fund Advisors	Registered Investment Company DFA International Core Equity I Fund	\$ -	924 969
	Dimensional Fund Advisors	Registered Investment Company DFA US Large Cap Value I Fund	\$ -	1 151 152
	Oppenheimer	Registered Investment Company Invesco Global Opportunities R6 Fund	\$ -	82 375
	Janus International Holding LLC	Registered Investment Company Janus Henderson Triton N Fund	\$ -	479 948
	JP Morgan Funds	Registered Investment Company JP Morgan Mid Cap Growth R6 Fund	\$ -	584 639
*	Principal Funds Inc	Registered Investment Company Principal Equity Income Inst Fund	\$ -	1 054 009
*	Principal Funds Inc	Registered Investment Company Principal LargeCap Growth I Inst Fund	\$ -	1 507 921
*	Principal Life Insurance Company	Pooled Separate Accounts Principal LargeCap S&P 500 Index SA-Z	\$ -	968 631
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2010 CIT Z	\$ -	873 045
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2020 CIT Z	\$ -	4 059 979
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2025 CIT Z	\$ -	2 801 820
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2030 CIT Z	\$ -	809 306
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2035 CIT Z	\$ -	736 337
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2040 CIT Z	\$ -	411 402
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2045 CIT Z	\$ -	468 593
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2050 CIT Z	\$ -	1 134 324

FORM 5500 - SCHEDULE H, PART IV, 4i - CONTINUED
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
December 31, 2022

EIN #74-0695563
PIN #002

(a)	(b) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	** (d) COST	(e) CURRENT VALUE
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2055 CIT Z	\$ -	164 387
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2060 CIT Z	\$ -	106 490
*	Principal Life Insurance Company	Pooled Separate Accounts Principal MidCap S&P 400 Index SA-Z	\$ -	572 129
*	Principal Life Insurance Company	Pooled Separate Accounts Principal Smallcap S&P 600 Index SA-Z	\$ -	559 381
*	Principal Funds Inc	Registered Investment Company Principal Core Fixed	\$ -	916 246
*	Principal Global Investors Trust Co	Common/Collective Trust Principal Stable Value Z Fund	\$ -	4 414 980
	PGIM Investments	Registered Investment Company PGIM Global Total Return R6 Fund	\$ -	921 096
*	Principal Funds Inc	Registered Investment Company PRIN DIVERSIFIED REAL ASSET R6	\$ -	10 713
*	Principal Global Investors Trust Co	Common/Collective Trust PRIN LIFETIME HYBR 2065 CIT Z	\$ -	3 965
*	Principal Funds Inc	Registered Investment Company PRIN SE SECS R6 FUND	\$ -	233
	Schwab Funds	Brokerage Account Principal Self Dir Brokerage Account	\$ -	195 721
	Vanguard Group	Registered Investment Company Vanguard Interim-Term Bond Index ADM Fund	\$ -	942 577
	Vanguard Group	Registered Investment Company Vanguard International Growth ADM Fund	\$ -	893 232
	Vanguard Group	Registered Investment Company Vanguard International Value Investor Fund	\$ -	930 685
	Vanguard Group	Registered Investment Company Vanguard Selected Value Investor Fund	\$ -	632 030
*	Notes receivable from participants	Participant loans at various maturity dates with interest rates at 4.25% - 7.25%. Collateralized by vested balance with maturity value equal to current value.	\$ -	969 911
				<u>\$ 32 353 659</u>

* Party-in-interest

** Column not applicable as this is an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account.

See independent auditors' report.

FORM 5500 - SCHEDULE H, LINE 4i
SCHEDULE OF ASSETS (ACQUIRED AND DISPOSED WITHIN THE YEAR)
SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
December 31, 2022

EIN #74-0695563
PIN #002

(a) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(b) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(c) COSTS OF ACQUISITIONS	(d) PROCEEDS FROM DISPOSITIONS
Notes receivable from participants	Participant loans at various maturity dates with interest rates at 4.25% - 7.25%. Collateralized by vested balances with maturity value equal to current value.	\$ -	\$ -

See independent auditors' report

FORM 5500 - SCHEDULE H, PART IV, 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
December 31, 2022

EIN #74-0695563
PIN #002

(a)	(b) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	** (d) COST	(e) CURRENT VALUE
	The American Funds	Registered Investment Company American Funds American Balanced R6 Fund	\$ -	\$ 554 888
	The American Funds	Registered Investment Company American Funds New World R6 Fund	\$ -	897 649
	Delaware Investments	Registered Investment Company Delaware Small Cap Value R6 Fund	\$ -	618 896
	Dimensional Fund Advisors	Registered Investment Company DFA International Core Equity I Fund	\$ -	924 969
	Dimensional Fund Advisors	Registered Investment Company DFA US Large Cap Value I Fund	\$ -	1 151 152
	Oppenheimer	Registered Investment Company Invesco Global Opportunities R6 Fund	\$ -	82 375
	Janus International Holding LLC	Registered Investment Company Janus Henderson Triton N Fund	\$ -	479 948
	JP Morgan Funds	Registered Investment Company JP Morgan Mid Cap Growth R6 Fund	\$ -	584 639
*	Principal Funds Inc	Registered Investment Company Principal Equity Income Inst Fund	\$ -	1 054 009
*	Principal Funds Inc	Registered Investment Company Principal LargeCap Growth I Inst Fund	\$ -	1 507 921
*	Principal Life Insurance Company	Pooled Separate Accounts Principal LargeCap S&P 500 Index SA-Z	\$ -	968 631
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2010 CIT Z	\$ -	873 045
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2020 CIT Z	\$ -	4 059 979
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2025 CIT Z	\$ -	2 801 820
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2030 CIT Z	\$ -	809 306
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2035 CIT Z	\$ -	736 337
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2040 CIT Z	\$ -	411 402
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2045 CIT Z	\$ -	468 593
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2050 CIT Z	\$ -	1 134 324

FORM 5500 - SCHEDULE H, PART IV, 4i - CONTINUED
SCHEDULE OF ASSETS (HELD AT END OF YEAR)
SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
December 31, 2022

EIN #74-0695563
PIN #002

(a)	(b) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(c) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	** (d) COST	(e) CURRENT VALUE
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2055 CIT Z	\$ -	164 387
*	Principal Global Investors Trust Co	Common/Collective Trust Principal LifeTime Hybrid 2060 CIT Z	\$ -	106 490
*	Principal Life Insurance Company	Pooled Separate Accounts Principal MidCap S&P 400 Index SA-Z	\$ -	572 129
*	Principal Life Insurance Company	Pooled Separate Accounts Principal Smallcap S&P 600 Index SA-Z	\$ -	559 381
*	Principal Funds Inc	Registered Investment Company Principal Core Fixed	\$ -	916 246
*	Principal Global Investors Trust Co	Common/Collective Trust Principal Stable Value Z Fund	\$ -	4 414 980
	PGIM Investments	Registered Investment Company PGIM Global Total Return R6 Fund	\$ -	921 096
*	Principal Funds Inc	Registered Investment Company PRIN DIVERSIFIED REAL ASSET R6	\$ -	10 713
*	Principal Global Investors Trust Co	Common/Collective Trust PRIN LIFETIME HYBR 2065 CIT Z	\$ -	3 965
*	Principal Funds Inc	Registered Investment Company PRIN SE SECS R6 FUND	\$ -	233
	Schwab Funds	Brokerage Account Principal Self Dir Brokerage Account	\$ -	195 721
	Vanguard Group	Registered Investment Company Vanguard Interim-Term Bond Index ADM Fund	\$ -	942 577
	Vanguard Group	Registered Investment Company Vanguard International Growth ADM Fund	\$ -	893 232
	Vanguard Group	Registered Investment Company Vanguard International Value Investor Fund	\$ -	930 685
	Vanguard Group	Registered Investment Company Vanguard Selected Value Investor Fund	\$ -	632 030
*	Notes receivable from participants	Participant loans at various maturity dates with interest rates at 4.25% - 7.25%. Collateralized by vested balance with maturity value equal to current value.	\$ -	969 911
				<u>\$ 32 353 659</u>

* Party-in-interest

** Column not applicable as this is an individual account plan that a participant or beneficiary directed with respect to assets allocated to his or her account.

See independent auditors' report.

FORM 5500 - SCHEDULE H, LINE 4i
SCHEDULE OF ASSETS (ACQUIRED AND DISPOSED WITHIN THE YEAR)
SAM HOUSTON ELECTRIC COOPERATIVE, INC.
PENSION PLAN
December 31, 2022

EIN #74-0695563
PIN #002

(a) IDENTITY OF ISSUE BORROWER, LESSOR OR SIMILAR PARTY	(b) DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL PAR OR MATURITY VALUE	(c) COSTS OF ACQUISITIONS	(d) PROCEEDS FROM DISPOSITIONS
Notes receivable from participants	Participant loans at various maturity dates with interest rates at 4.25% - 7.25%. Collateralized by vested balances with maturity value equal to current value.	\$ -	\$ -

See independent auditors' report