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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br>▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                        |                                                                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                          | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                            |
| For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022             |                                                                                                                                                                                                                                                                                                                                            |
| <b>A</b> This return/report is for:                                                                    | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) _____ |
| <b>B</b> This return/report is:                                                                        | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                      |
| <b>C</b> If the plan is a collectively-bargained plan, check here. ....                                | ▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                 |
| <b>D</b> Check box if filing under:                                                                    | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                     |
| <b>E</b> If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. .... | ▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                 |

|                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                 | <b>Basic Plan Information</b> —enter all requested information                                                                                                                            |
| <b>1a</b> Name of plan<br>CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN                                                                                                                                                                                                                                                                   | <b>1b</b> Three-digit plan number (PN) ▶ 001                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                | <b>1c</b> Effective date of plan<br>01/01/1980                                                                                                                                            |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br>CARTER BANK & TRUST<br><br>1300 KINGS MOUNTAIN ROAD<br>MARTINSVILLE, VA 24112 | <b>2b</b> Employer Identification Number (EIN)<br>20-5539935<br><br><b>2c</b> Plan Sponsor's telephone number<br>276-656-1776<br><br><b>2d</b> Business code (see instructions)<br>522110 |

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

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

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 08/28/2023 | WENDY BELL                                                   |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | 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

|                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                   |  | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                            |  | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                     |  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                    |  | <div style="display: flex; justify-content: space-between;"> <span><b>5</b></span> <span>886</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                                                                    |  | <div style="display: flex; justify-content: space-between;"> <span><b>6a(1)</b></span> <span>686</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                          |  | <div style="display: flex; justify-content: space-between;"> <span><b>6a(2)</b></span> <span>608</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                                                                                                                                                                                                                                        |  | <div style="display: flex; justify-content: space-between;"> <span><b>6b</b></span> <span>20</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                          |  | <div style="display: flex; justify-content: space-between;"> <span><b>6c</b></span> <span>186</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                |  | <div style="display: flex; justify-content: space-between;"> <span><b>6d</b></span> <span>814</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                 |  | <div style="display: flex; justify-content: space-between;"> <span><b>6e</b></span> <span>1</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                    |  | <div style="display: flex; justify-content: space-between;"> <span><b>6f</b></span> <span>815</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....                                                                                                                                                                                                                                                                             |  | <div style="display: flex; justify-content: space-between;"> <span><b>6g</b></span> <span>809</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                                  |  | <div style="display: flex; justify-content: space-between;"> <span><b>6h</b></span> <span>46</span> </div>                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                                       |  | <div style="display: flex; justify-content: space-between;"> <span><b>7</b></span> </div>                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2G 2K 2S 2T 2E 2F 2J 3D                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                              |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                  |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>0 A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (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 \_\_\_\_\_

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> | 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<br>CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN                       | B Three-digit plan number (PN) ▶                     | 001 |
|                                                                                            |                                                      |     |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>CARTER BANK & TRUST              | D Employer Identification Number (EIN)<br>20-5539935 |     |

|        |                                                 |
|--------|-------------------------------------------------|
| 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 |
| FIDELITY INVESTMENTS INSTITUTIONAL                                                                         |
| 04-2647786                                                                                                 |

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

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

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

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

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

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

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

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

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 64 65                  | RECORDKEEPER                                                                                      | 91653                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

STRATEGIC ADVISORS, INC.

04-2654524

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27                     | ADVISOR                                                                                           | 6952                                                                   | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

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

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

**Part II Service Providers Who Fail or Refuse to Provide Information**

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

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

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                   |                                                                                                                                                                                                                                   |                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE D<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration</div> | <div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>► File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div> |
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|                                                                                            |                                                      |     |
|--------------------------------------------------------------------------------------------|------------------------------------------------------|-----|
| For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022 |                                                      |     |
| A Name of plan<br>CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN                       | B Three-digit plan number (PN) ►                     | 001 |
|                                                                                            |                                                      |     |
| C Plan or DFE sponsor's name as shown on line 2a of Form 5500<br>CARTER BANK & TRUST       | D Employer Identification Number (EIN)<br>20-5539935 |     |

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

|                                                             |                 |                                                                                                       |
|-------------------------------------------------------------|-----------------|-------------------------------------------------------------------------------------------------------|
| a Name of MTIA, CCT, PSA, or 103-12 IE: WT METLIFE STAB VAL |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a): WILMINGTON TRUST |                 |                                                                                                       |
| c EIN-PN 26-0142858-094                                     | d Entity code C | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11451984 |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                     |                 |                                                                                                       |
| b Name of sponsor of entity listed in (a):                  |                 |                                                                                                       |
| c EIN-PN                                                    | d Entity code   | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |

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

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

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

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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2022</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><u>CARTER BANK &amp; TRUST 401(K) AND PROFIT SHARING PLAN</u>                                                                                                                                                                                   |                                                                                                                                                                                                                                                                              | <b>B</b> Three-digit plan number (PN) <u>001</u>                                          |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>CARTER BANK &amp; TRUST</u>                                                                                                                                                                          |                                                                                                                                                                                                                                                                              | <b>D</b> Employer Identification Number (EIN)<br><u>20-5539935</u>                        |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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 |
| <b>a</b> Total noninterest-bearing cash.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1a</b>       | 0                     | 0               |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
| <b>(1)</b> Employer contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1b(1)</b>    | 898218                | 840601          |
| <b>(2)</b> Participant contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1b(2)</b>    | 0                     | 0               |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    | 0                     | 0               |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(1)</b>    | 21                    | 793             |
| <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(2)</b>    | 0                     | 0               |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> | 0                     | 0               |
| <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(B)</b> | 0                     | 0               |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> | 0                     | 0               |
| <b>(B)</b> Common.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(4)(B)</b> | 0                     | 0               |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    | 0                     | 0               |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>    | 0                     | 0               |
| <b>(7)</b> Loans (other than to participants).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(7)</b>    | 0                     | 0               |
| <b>(8)</b> Participant loans.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(8)</b>    | 0                     | 0               |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>    | 11648642              | 11451984        |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(10)</b>   | 0                     | 0               |
| <b>(11)</b> Value of interest in master trust investment accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(11)</b>   | 0                     | 0               |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>   | 0                     | 0               |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   | 38721448              | 28155052        |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   | 0                     | 0               |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>   | 0                     | 0               |

**1d** Employer-related investments:

|                                                                      |       | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|-------|-----------------------|-----------------|
| (1) Employer securities .....                                        | 1d(1) | 0                     | 0               |
| (2) Employer real property .....                                     | 1d(2) | 0                     | 0               |
| <b>e</b> Buildings and other property used in plan operation .....   | 1e    | 0                     | 0               |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | 1f    | 51268329              | 40448430        |

**Liabilities**

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

**Net Assets**

|                                                           |    |          |          |
|-----------------------------------------------------------|----|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | 1l | 51268329 | 40448430 |
|-----------------------------------------------------------|----|----------|----------|

**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 Contributions:**

|                                                                                                            |          | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|----------|------------|-----------|
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | 2a(1)(A) | 2131435    |           |
| <b>(B)</b> Participants .....                                                                              | 2a(1)(B) | 2375866    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | 2a(1)(C) | 116977     |           |
| (2) Noncash contributions .....                                                                            | 2a(2)    | 0          |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | 2a(3)    |            | 4624278   |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |          |   |   |
|------------------------------------------------------------------------------------------------------|----------|---|---|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | 2b(1)(A) | 6 |   |
| <b>(B)</b> U.S. Government securities .....                                                          | 2b(1)(B) | 0 |   |
| <b>(C)</b> Corporate debt instruments .....                                                          | 2b(1)(C) | 0 |   |
| <b>(D)</b> Loans (other than to participants) .....                                                  | 2b(1)(D) | 0 |   |
| <b>(E)</b> Participant loans .....                                                                   | 2b(1)(E) | 0 |   |
| <b>(F)</b> Other .....                                                                               | 2b(1)(F) | 0 |   |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | 2b(1)(G) |   | 6 |

|                                                                                           |          |         |         |
|-------------------------------------------------------------------------------------------|----------|---------|---------|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | 2b(2)(A) | 0       |         |
| <b>(B)</b> Common stock .....                                                             | 2b(2)(B) | 0       |         |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | 2b(2)(C) | 1033897 |         |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | 2b(2)(D) |         | 1033897 |

|                 |       |  |   |
|-----------------|-------|--|---|
| (3) Rents ..... | 2b(3) |  | 0 |
|-----------------|-------|--|---|

|                                                                                           |          |   |   |
|-------------------------------------------------------------------------------------------|----------|---|---|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | 2b(4)(A) | 0 |   |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | 2b(4)(B) | 0 |   |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | 2b(4)(C) |   | 0 |

|                                                                                                    |          |   |   |
|----------------------------------------------------------------------------------------------------|----------|---|---|
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                 | 2b(5)(A) | 0 |   |
| <b>(B)</b> Other .....                                                                             | 2b(5)(B) | 0 |   |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> ..... | 2b(5)(C) |   | 0 |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                              | 2b(6)  |            | 124484    |
| (7) Net investment gain (loss) from pooled separate accounts .....                              | 2b(7)  |            | 0         |
| (8) Net investment gain (loss) from master trust investment accounts .....                      | 2b(8)  |            | 0         |
| (9) Net investment gain (loss) from 103-12 investment entities.....                             | 2b(9)  |            | 0         |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | 2b(10) |            | -7510633  |
| c Other income .....                                                                            | 2c     |            | 0         |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | -1727968  |
| <b>Expenses</b>                                                                                 |        |            |           |
| e Benefit payment and payments to provide benefits:                                             |        |            |           |
| (1) Directly to participants or beneficiaries, including direct rollovers .....                 | 2e(1)  | 8993326    |           |
| (2) To insurance carriers for the provision of benefits .....                                   | 2e(2)  | 0          |           |
| (3) Other .....                                                                                 | 2e(3)  | 0          |           |
| (4) Total benefit payments. Add lines 2e(1) through (3) .....                                   | 2e(4)  |            | 8993326   |
| f Corrective distributions (see instructions) .....                                             | 2f     |            | 0         |
| g Certain deemed distributions of participant loans (see instructions) .....                    | 2g     |            | 0         |
| h Interest expense .....                                                                        | 2h     |            | 0         |
| i Administrative expenses: (1) Professional fees .....                                          | 2i(1)  | 0          |           |
| (2) Contract administrator fees .....                                                           | 2i(2)  | 0          |           |
| (3) Investment advisory and management fees .....                                               | 2i(3)  | 6952       |           |
| (4) Other .....                                                                                 | 2i(4)  | 91653      |           |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                            | 2i(5)  |            | 98605     |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....            | 2j     |            | 9091931   |
| <b>Net Income and Reconciliation</b>                                                            |        |            |           |
| k Net income (loss). Subtract line 2j from line 2d .....                                        | 2k     |            | -10819899 |
| l Transfers of assets:                                                                          |        |            |           |
| (1) To this plan .....                                                                          | 2l(1)  |            | 0         |
| (2) From this plan .....                                                                        | 2l(2)  |            | 0         |

**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: **DAVIDSON, DOYLE & HILTON, LLP**

(2) EIN: **54-1953476**

**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 |
|-----------|-----|----|--------|
| <b>4a</b> |     | X  |        |

|                                                                                                                                                                                                                                                                                                            | Yes | No | Amount   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>b</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.) |     |    |          |
| <b>4b</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>c</b> 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.)                                                                                                                             |     |    |          |
| <b>4c</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>d</b> 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.)                                                                                                                  |     |    |          |
| <b>4d</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond?                                                                                                                                                                                                                                                         | X   |    | 15000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?                                                                                                                                                                          |     | X  |          |
| <b>4f</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>g</b> 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?                                                                                                                                       |     |    |          |
| <b>4g</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>h</b> 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?                                                                                                                             |     |    |          |
| <b>4h</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)                                                                                                                                                   | X   |    |          |
| <b>4i</b>                                                                                                                                                                                                                                                                                                  | X   |    |          |
| <b>j</b> 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.)                                                                                     |     |    |          |
| <b>4j</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?                                                                                                                                              |     |    |          |
| <b>4k</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan?                                                                                                                                                                                                                               |     |    |          |
| <b>4l</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)                                                                                                                                                                                     |     |    |          |
| <b>4m</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |
| <b>n</b> 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.                                                                                                                        |     |    |          |
| <b>4n</b>                                                                                                                                                                                                                                                                                                  |     | X  |          |

**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 \_\_\_\_\_.

|                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div>                                                                                                                            | <div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2022</div> <div>This Form is Open to Public Inspection.</div> |
| For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| A Name of plan<br>CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                  | B Three-digit plan number (PN) ► 001                                                            |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>CARTER BANK & TRUST                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  | D Employer Identification Number (EIN)<br>20-5539935                                            |
| 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                                                                                               |
| 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):<br><br>EIN(s): 04-6568107                                                                                                       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  | 3                                                                                               |
| Part II                                                                                                                                                                                                                                                                                                                                                    | Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)                                                                                                                           |                                                                                                 |
| 4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A<br>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 _____<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.       |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                  | 6a                                                                                              |
| b Enter the amount contributed by the employer to the plan for this plan year.....                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                  | 6b                                                                                              |
| c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  | 6c                                                                                              |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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..... <input type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Both <input type="checkbox"/> 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?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock?..... <input type="checkbox"/> Yes <input type="checkbox"/> 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.)..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                              |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... <input type="checkbox"/> Yes <input type="checkbox"/> 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): \_\_\_\_\_

|                                                                                                                                                                                                                                                                                                                                 |            |            |            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|
| <b>14</b> 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:                                                                                                            | <b>14a</b> |            |            |
| <b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)..... |            | <b>14b</b> |            |
| <b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....                                                                                                |            |            | <b>14c</b> |
| <b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) .....                                                                                                                           |            |            |            |
| <b>15</b> 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:                                                                                                                                          | <b>15a</b> |            |            |
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year.....                                                                                                                                                                                                                            |            | <b>15b</b> |            |
| <b>b</b> The corresponding number for the second preceding plan year.....                                                                                                                                                                                                                                                       |            |            |            |
| <b>16</b> Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                                                                                  | <b>16a</b> |            |            |
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                                                                                                        |            | <b>16b</b> |            |
| <b>b</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.....                                                                                                                                                           |            |            |            |
| <b>17</b> 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 ..... <input type="checkbox"/>                                                                  |            |            |            |

**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 \_\_\_\_\_



**CARTER BANK & TRUST 401(K)  
AND PROFIT SHARING PLAN**

**Martinsville, VA**

**Financial Statements  
and Supplemental Schedule  
for the years ended**

**December 31, 2022 and 2021**





## CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN

### Contents

|                                                            |        |
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## **Report of Independent Auditors**

To the Plan Administrator and Board of Directors  
Carter Bank & Trust 401(k) and Profit Sharing Plan  
Martinsville, VA

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

We have performed audits of the accompanying financial statements of Carter Bank & Trust 401(k) and Profit Sharing 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) audit. The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of Carter Bank & Trust 401(k) 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 Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits 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 of federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the years ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 7 to the financial statements, is complete and accurate.

### **Opinion**

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit 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. 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 Carter Bank & Trust 401(k) and Profit Sharing 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 a basis 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 Carter Bank & Trust 401(k) and Profit Sharing 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 of the Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Carter Bank & Trust 401(k) and Profit Sharing 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carter Bank & Trust 401(k) and Profit Sharing 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 disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.





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

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

#### **Supplemental Schedules Required by ERISA**

The supplemental schedule of Schedule H, Part IV, line 4i – Schedule of Assets Held (At End of Year) for the year ended December 31, 2022 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplement schedule, we evaluated whether the supplemental schedule, 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 Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplement schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

*Davidson Doyle & Hinton, LLP*

Lynchburg, Virginia  
July 17, 2023





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2022 and 2021**

|                                          | <u>2022</u>          | <u>2021</u>          |
|------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                            |                      |                      |
| <b>Investments, at fair value</b>        |                      |                      |
| Mutual funds                             | \$ 28,155,845        | \$ 38,721,469        |
| Collective trusts                        | <u>11,451,984</u>    | <u>11,648,642</u>    |
| <b>Total investments, at fair value</b>  | <u>39,607,829</u>    | <u>50,370,111</u>    |
| <b>Receivables</b>                       |                      |                      |
| Employer contribution receivable         | <u>840,601</u>       | <u>898,218</u>       |
| <b>Total receivables</b>                 | <u>840,601</u>       | <u>898,218</u>       |
| <b>Total assets</b>                      | <u>40,448,430</u>    | <u>51,268,329</u>    |
| <b>Net assets available for benefits</b> | \$ <u>40,448,430</u> | \$ <u>51,268,329</u> |

See notes to financial statements





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Statements of Changes in Net Assets Available for Benefits**  
**For the Years Ended December 31, 2022 and 2021**

|                                                         | <u>2022</u>           | <u>2021</u>          |
|---------------------------------------------------------|-----------------------|----------------------|
| <b>Additions to Net Assets Attributed to:</b>           |                       |                      |
| <b>Investment income</b>                                |                       |                      |
| Net (depreciation) appreciation in value of investments | \$ ( 7,386,362 )      | \$ 3,722,778         |
| Interest and dividends                                  | 1,034,114             | 1,007,560            |
| Other income                                            | <u>2</u>              | <u>3,377</u>         |
| <b>Total investment (loss) income</b>                   | ( <u>6,352,246</u> )  | <u>4,733,715</u>     |
| <b>Contributions</b>                                    |                       |                      |
| Participant contributions                               | 2,375,866             | 2,282,476            |
| Employer contributions                                  | 2,131,435             | 2,148,540            |
| Rollover contributions                                  | <u>116,977</u>        | <u>501,783</u>       |
| <b>Total contributions</b>                              | <u>4,624,278</u>      | <u>4,932,799</u>     |
| <b>Total (reductions) additions</b>                     | ( <u>1,727,968</u> )  | <u>9,666,514</u>     |
| <b>Deductions from Net Assets Attributed to:</b>        |                       |                      |
| Benefits paid to participants                           | 8,993,326             | 7,442,059            |
| Administrative expenses                                 | <u>98,605</u>         | <u>104,642</u>       |
| <b>Total deductions</b>                                 | <u>9,091,931</u>      | <u>7,546,701</u>     |
| <b>Net (decrease) increase</b>                          | ( <u>10,819,899</u> ) | <u>2,119,813</u>     |
| <b>Net assets available for benefits</b>                |                       |                      |
| Beginning of year                                       | <u>51,268,329</u>     | <u>49,148,516</u>    |
| End of year                                             | \$ <u>40,448,430</u>  | \$ <u>51,268,329</u> |

See notes to financial statements





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 1 - Description of Plan**

The following description of Carter Bank & Trust 401(k) and Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

**General**

The Plan, effective January 1, 1980, is a defined contribution plan covering substantially all employees of Carter Bank & Trust and its wholly owned subsidiaries (the "Bank"). Effective January 1, 2018, the Plan was amended to include employees who have a minimum of one month of service and are age twenty and one-half or older as eligible employees. Also, the Plan allows a participant to enter the Plan on the first day of January, April, July, or October that coincides with or follows the date of becoming eligible.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and was most recently amended in August 1, 2020. The Board of Directors is responsible for oversight of the Plan. The Board of Directors determines the appropriateness of the Plan's investment offerings and monitors investment performance.

**Contributions**

Each year, participants may authorize their employer to defer up to 100% of their pretax annual compensation, in accordance with procedures established by the Plan, up to allowable Internal Revenue Code (IRC) limitations. Participants may also contribute after tax wages (Roth contributions) under the voluntary contribution portion of the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants are permitted to make rollover contributions from other qualified plans to the Plan.

The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate initially set at 3% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. Additionally, unless the participant changes his or her deferral percentage, the withholding will increase by 1% annually, up to a maximum of 6%.

The employer makes Safe-Harbor Enhanced Matching Contributions on behalf of each Plan participant in an amount equal to 100% of the first 3% of base compensation that is deferred and 50% of the next 2% of base compensation that is deferred, not to exceed 5% of the participant's compensation. During the years ended December 31, 2022 and 2021, the Bank's safe-harbor matching contributions totaled \$1,290,834 and \$1,250,322, respectively.

Each year, the employer may elect to pay a profit sharing bonus at the discretion of the Bank's Board of Directors. Contributions are subject to certain limitations. During the years ended December 31, 2022 and 2021, the Bank's discretionary profit sharing contributions totaled \$840,601 and \$898,218, respectively.

**Participant accounts**

Each participant's account is credited with the participant's contribution, including amounts rolled over from other qualified plans, and the Bank's matching contributions, as well as allocations of (a) the Bank's discretionary contribution and (b) plan earnings (c) forfeited accounts, and (d) charged with an allocation of administrative expenses, losses, and withdrawals. Allocations are based on participant earnings or 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.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 1 - Description of Plan (continued)**

**Investment options**

Participants direct the investment of their contributions and any employer contributions into various investment options offered by the Plan. Discretionary profit sharing contributions may be contributed at the option of the Bank's Board of Directors and are invested into the Plan's default fund unless participant-directed investments are made. The Plan currently offers various self-directed investments, mutual funds, and money market funds as investment options for participants.

**Forfeitures**

Forfeitures of Bank contributions can be used to reduce administrative expense and/or to reduce future Bank contributions. Forfeitures were used to reduce employer contributions and related receivables as of December 31, 2022 and 2021. Forfeitures become available to the Plan as of the earlier of the last day of the Plan year in which a former employee incurs five consecutive one-year breaks in service or a distribution of the participant's entire vested account balance occurs. During the years ended December 31, 2022 and 2021, the Plan used forfeitures and applicable earnings of \$51,963 and \$50,000, respectively, to reduce Bank contributions. As of December 31, 2022 and 2021, forfeitures totaling \$69,245 and \$66,302, respectively, were available to offset future Bank contributions and administrative expenses.

**Vesting**

Participants are immediately vested in their contributions and Safe-Harbor Enhanced Matching contributions plus earnings thereon. Participants vest in the Bank's profit sharing contributions plus earnings thereon based on years of service, as defined by the Plan's agreement, according to the following schedule.

| <u>Years of Service</u> | <u>Vested Percentage</u> |
|-------------------------|--------------------------|
| 1 or less               | 0%                       |
| 1 to 2                  | 20%                      |
| 2 to 3                  | 40%                      |
| 3 to 4                  | 60%                      |
| 5+                      | 100%                     |

Participants become 100% vested in profit sharing contributions upon the attainment of normal retirement age or in the event of death or disability.

**Payment of benefits**

On termination of service due to death, disability, normal retirement (62), or other termination of employment, a participant may elect to receive a lump-sum amount or rolled into another qualified retirement plan, equal to the value of the vested interest in the participant account. The Plan allows for in-service distributions at age 59 ½. Upon proof, to the satisfaction of the Plan administrator, of an immediate and heavy financial need, amounts contributed may be withdrawn for a hardship purpose from the participant's elective deferral and vested amounts from match, Roth & safe-harbor match sub accounts. In all cases, certain income tax penalties may apply to withdrawals or distributions prior to age 59 ½.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 2 - Summary of Accounting Policies**

**Basis of accounting**

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

**Investment valuation and income recognition**

The Plan's investments are recorded 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. The Plan's management determines the Plan's valuation policies utilizing information provided by its investment advisors and the custodian. See Note 3 for a discussion of fair value measurements. Shares of mutual funds are based on quoted market prices, which represent the net asset value of shares held by the Plan at year-end. If quoted prices are unavailable, estimated fair values are based on comparable investment of other issues with similar ratings. The collective trust is based on the fair value of the underlying assets held at year-end.

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

**Payment of benefits**

Benefits are recorded upon distribution.

**Use of estimates**

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

**Risks and Uncertainties**

The Plan provides for various investment options such as mutual funds and collective trusts. Investment securities are exposed to various risks such as interest rate, market, liquidity, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

**Revenue Sharing Arrangement**

The Plan administrator ("Fidelity") receives revenue from registered investment fund and collective trust services providers for services they provide to the funds. This revenue is used to offset certain amounts owed to Fidelity for its administrative services to the Plan.

If the revenue received by Fidelity from such fund service providers exceeds the amount owed under an agreement between Fidelity and the Bank, Fidelity remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay Plan administrative expenses or allocated to the accounts of the participants. During 2022 and 2021, there was no excess amounts. The Plan or Plan Sponsor may make a payment to Fidelity for administrative expenses not covered by revenue sharing.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 2 - Summary of Accounting Policies (continued)**

**Expenses**

Substantially all administrative expenses are paid by the Bank. Certain transaction fees are paid by the Plan. Investment related expenses are included in net appreciation of fair value of investments. The Plan paid \$98,605 for plan expenses for the year ended December 31, 2022. The Plan paid \$104,642 for plan expenses for the year ended December 31, 2021.

**Note 3 - Fair Value Measurements**

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Level 2 | <p>Inputs to the valuation methodology include</p> <ul style="list-style-type: none"> <li>• quoted prices for similar assets or liabilities in active markets;</li> <li>• quoted prices for identical or similar assets or liabilities in inactive markets;</li> <li>• inputs other than quoted prices that are observable for the asset or liability;</li> <li>• inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li> </ul> <p>If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2022 and 2021.

*Interest-bearing cash:* Shares of a money market portfolio are valued using amortized cost which approximates fair value.

*Interest in mutual funds:* Participants can invest directly in mutual fund investments. The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

*Collective trust:* Net asset value ("NAV") as reported by the investment manager based on the value of the underlying assets. The NAV is used as a practical expedient for estimating fair value.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 3 - Fair Value Measurements (continued)**

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

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

|                                             | Total<br>Fair Value  | Fair Value<br>Measurement Using:                                                 |                                                           |
|---------------------------------------------|----------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------|
|                                             |                      | Quoted<br>Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) |
| <b>December 31, 2022</b>                    |                      |                                                                                  |                                                           |
| Mutual funds                                | \$ 28,155,052        | \$ 28,155,052                                                                    | \$ -                                                      |
| Other investments valued at net asset value | 11,451,984           | -                                                                                | -                                                         |
| Cash and cash equivalents                   | 793                  | 793                                                                              | -                                                         |
| <b>Total</b>                                | <b>\$ 39,607,829</b> | <b>\$ 28,155,845</b>                                                             | <b>\$ -</b>                                               |

|                                             | Total<br>Fair Value  | Fair Value<br>Measurement Using:                                                 |                                                           |
|---------------------------------------------|----------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------|
|                                             |                      | Quoted<br>Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) |
| <b>December 31, 2021</b>                    |                      |                                                                                  |                                                           |
| Mutual funds                                | \$ 38,721,448        | \$ 38,721,448                                                                    | \$ -                                                      |
| Other investments valued at net asset value | 11,648,642           | -                                                                                | -                                                         |
| Cash and cash equivalents                   | 21                   | 21                                                                               | -                                                         |
| <b>Total</b>                                | <b>\$ 50,370,111</b> | <b>\$ 38,721,469</b>                                                             | <b>\$ -</b>                                               |

Investments measured at net asset value above are presented using the net asset value per share practical expedient. In accordance with ASU 2015-07 and Subtopic 820-10, certain investments that are 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 these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

**Investments Measured Using the Net Asset Value per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2022 and 2021. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 3 - Fair Value Measurements (continued)**

| <b>December 31, 2022</b>            | <b>Fair Value</b> | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency (if<br/>currently eligible)</b> | <b>Redemption<br/>Notice Period</b> |
|-------------------------------------|-------------------|---------------------------------|-------------------------------------------------------------|-------------------------------------|
| Metlife Stable Value Solutions Fund | \$11,451,984      | n/a                             | Daily                                                       | Daily                               |

  

| <b>December 31, 2021</b>            | <b>Fair Value</b> | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency (if<br/>currently eligible)</b> | <b>Redemption<br/>Notice Period</b> |
|-------------------------------------|-------------------|---------------------------------|-------------------------------------------------------------|-------------------------------------|
| Metlife Stable Value Solutions Fund | \$11,648,642      | n/a                             | Daily                                                       | Daily                               |

**Note 4 –Party-In-Interest Transactions**

Parties in interest are defined under the DOL regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. Certain administrative functions are performed by officers or employers of the Employer. No such officer or employee receives compensation from the Plan. Certain Plan investments are managed by Fidelity. Fidelity is the custodian/trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Expenses paid directly or indirectly by the Plan are considered party in interest transactions. Investment fees and administrative fees paid by the Plan to Fidelity totaled \$91,653 and \$100,955 for the years ended December 31, 2022 and 2021, respectively.

**Note 5 – Plan Termination**

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

**Note 6 – Income Tax Status**

The Plan has adopted a standardized prototype plan with a deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) dated June 30, 2020. The Plan has been amended since receiving the determination letter. Once qualified, the Plan is required to operate in conformity with the Internal Revenue Code (IRC) to maintain its qualification. The Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor. The plan administrator has analyzed the tax positions taken by the plan, and has concluded that as of December 31, 2022 and 2021, no uncertain positions are taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to December 31, 2019.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 7 – Financial Information Certified by the Trustee of the Plan**

Certain information related to investments disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments held at December 31, 2022 and 2021, and net appreciation (depreciation) in fair value of investments and interest and dividends for the year ended December 31, 2022 and 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company (the trustee of the Plan).

|                            | <u>2022</u>   | <u>2021</u>   |
|----------------------------|---------------|---------------|
| Investments, at fair value | \$ 39,607,829 | \$ 50,370,111 |
| Investment (loss) income   | ( 6,352,246 ) | 4,733,715     |

**Note 8 – Excess Contributions**

During the years ending December 31, 2022 and 2021, there was \$-0- and \$-0- in excess participant deferral contributions to the plan, respectively.

During the year ending December 31, 2022, there was \$15,282 in excess participant match contributions to the plan. The excess contributions were forfeited in March 2023. During the year ending December 31, 2021, there was \$-0- in excess participant match contributions to the plan.

**Note 9 – Subsequent Events**

The Plan has evaluated subsequent events through July 17, 2023, the date the report is available for issuance. No other events requiring disclosure have been noted.





## Supplementary Information





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Schedule of Assets (Held at End of Year)**  
**December 31, 2022**  
**EIN 20-5539935 PL: 001**  
**(Form 5500, Schedule H, Part IV, line 4i)**

| (a)                       | (b)                                                      | (c)                                                                                                             | (d)  | (e)                  |
|---------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------|----------------------|
| Party-<br>in-<br>interest | Identity of Issuer, Borrower,<br>Lesser or Similar Party | Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par or Maturity Value | Cost | Current<br>Value     |
|                           | Cash and cash equivalents                                |                                                                                                                 |      |                      |
| *                         | Fidelity Government Money Market                         | 793.200 shares                                                                                                  | **   | \$ 793               |
|                           | Total cash and cash equivalents                          |                                                                                                                 |      | <u>793</u>           |
|                           | Mutual Funds                                             |                                                                                                                 |      |                      |
| *                         | Fidelity 500 Index Fund                                  | 50,337.606 shares                                                                                               | **   | 6,700,942            |
|                           | Vanguard Target Retirement 2030                          | 86,170.606 shares                                                                                               | **   | 2,703,172            |
|                           | Vanguard Target Retirement 2020                          | 96,397.228 shares                                                                                               | **   | 2,444,634            |
|                           | Vanguard Target Retirement 2025                          | 129,573.472 shares                                                                                              | **   | 2,161,286            |
| *                         | Fidelity US Bond Index Fund                              | 196,639.145 shares                                                                                              | **   | 2,001,786            |
|                           | Vanguard Target Retirement 2045                          | 67,835.236 shares                                                                                               | **   | 1,548,000            |
|                           | Vanguard Target Retirement 2035                          | 78,963.237 shares                                                                                               | **   | 1,527,939            |
| *                         | Fidelity Global Ex US Index Fund                         | 101,933.746 shares                                                                                              | **   | 1,279,268            |
| *                         | Fidelity Small Cap Index Fund                            | 56,630.987 shares                                                                                               | **   | 1,228,892            |
|                           | Vanguard Target Retirement 2040                          | 34,200.385 shares                                                                                               | **   | 1,162,813            |
|                           | Vanguard Target Retirement Income                        | 76,913.897 shares                                                                                               | **   | 941,426              |
|                           | Vanguard Target Retirement 2050                          | 22,898.009 shares                                                                                               | **   | 865,545              |
|                           | Vanguard Real Estate Index Fund Admiral                  | 6,532.190 shares                                                                                                | **   | 763,417              |
|                           | Vanguard Target Retirement 2055                          | 14,647.527 shares                                                                                               | **   | 617,686              |
|                           | PIMCO Diversified Income Fund                            | 57,076.862 shares                                                                                               | **   | 518,829              |
|                           | T. Rowe Price Blue Chip Growth Fund                      | 4,681.238 shares                                                                                                | **   | 486,474              |
|                           | Vanguard Target Retirement 2060                          | 10,604.371 shares                                                                                               | **   | 411,768              |
| *                         | Fidelity Mid Cap Index Fund                              | 10,394.046 shares                                                                                               | **   | 269,414              |
|                           | MFS International Diversification Class R6               | 11,043.620 shares                                                                                               | **   | 223,523              |
|                           | MFS Value Fund Class R6                                  | 3,800.376 shares                                                                                                | **   | 180,328              |
|                           | Vanguard Target Retirement 2065                          | 2,524.938 shares                                                                                                | **   | 64,234               |
|                           | PIMCO Real Return Institutional                          | 5,372.924 shares                                                                                                | **   | 53,676               |
|                           | Total mutual funds                                       |                                                                                                                 |      | <u>28,155,052</u>    |
|                           | Collective Trusts:                                       |                                                                                                                 |      |                      |
|                           | Wilmington Trust MetLife Stable Value                    | 1,054,627.076 shares                                                                                            | **   | 11,451,984           |
|                           | Total Collective trusts                                  |                                                                                                                 |      | <u>11,451,984</u>    |
|                           | Total assets held at year end                            |                                                                                                                 |      | <u>\$ 39,607,829</u> |

\* A party-in-interest as defined by ERISA

\*\* Cost omitted for participant-directed investments.

The above information has been certified by Fidelity Management Trust Company, the trustee, as complete and accurate.





**CARTER BANK & TRUST 401(K)  
AND PROFIT SHARING PLAN**

**Martinsville, VA**

**Financial Statements  
and Supplemental Schedule  
for the years ended**

**December 31, 2022 and 2021**





## CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN

### Contents

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## **Report of Independent Auditors**

To the Plan Administrator and Board of Directors  
Carter Bank & Trust 401(k) and Profit Sharing Plan  
Martinsville, VA

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

We have performed audits of the accompanying financial statements of Carter Bank & Trust 401(k) and Profit Sharing 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) audit. The financial statements comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of Carter Bank & Trust 401(k) 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 Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the years ended December 31, 2022 and 2021, stating that the certified investment information, as described in Note 7 to the financial statements, is complete and accurate.

### **Opinion**

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit 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. 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 Carter Bank & Trust 401(k) and Profit Sharing 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 a basis 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 Carter Bank & Trust 401(k) and Profit Sharing 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 of the Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement 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 Carter Bank & Trust 401(k) and Profit Sharing 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carter Bank & Trust 401(k) and Profit Sharing 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 disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.





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

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

#### **Supplemental Schedules Required by ERISA**

The supplemental schedule of Schedule H, Part IV, line 4i – Schedule of Assets Held (At End of Year) for the year ended December 31, 2022 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplement schedule, we evaluated whether the supplemental schedule, 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 Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- the form and content of the supplement schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

A handwritten signature in blue ink that reads 'Davidson Doyle &amp; Hinton, LLP'.

Lynchburg, Virginia  
July 17, 2023





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2022 and 2021**

|                                          | <u>2022</u>          | <u>2021</u>          |
|------------------------------------------|----------------------|----------------------|
| <b>Assets</b>                            |                      |                      |
| <b>Investments, at fair value</b>        |                      |                      |
| Mutual funds                             | \$ 28,155,845        | \$ 38,721,469        |
| Collective trusts                        | <u>11,451,984</u>    | <u>11,648,642</u>    |
| <b>Total investments, at fair value</b>  | <u>39,607,829</u>    | <u>50,370,111</u>    |
| <b>Receivables</b>                       |                      |                      |
| Employer contribution receivable         | <u>840,601</u>       | <u>898,218</u>       |
| <b>Total receivables</b>                 | <u>840,601</u>       | <u>898,218</u>       |
| <b>Total assets</b>                      | <u>40,448,430</u>    | <u>51,268,329</u>    |
| <b>Net assets available for benefits</b> | \$ <u>40,448,430</u> | \$ <u>51,268,329</u> |

See notes to financial statements





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Statements of Changes in Net Assets Available for Benefits**  
**For the Years Ended December 31, 2022 and 2021**

|                                                         | <u>2022</u>           | <u>2021</u>          |
|---------------------------------------------------------|-----------------------|----------------------|
| <b>Additions to Net Assets Attributed to:</b>           |                       |                      |
| <b>Investment income</b>                                |                       |                      |
| Net (depreciation) appreciation in value of investments | \$ ( 7,386,362 )      | \$ 3,722,778         |
| Interest and dividends                                  | 1,034,114             | 1,007,560            |
| Other income                                            | <u>2</u>              | <u>3,377</u>         |
| <b>Total investment (loss) income</b>                   | ( <u>6,352,246</u> )  | <u>4,733,715</u>     |
| <b>Contributions</b>                                    |                       |                      |
| Participant contributions                               | 2,375,866             | 2,282,476            |
| Employer contributions                                  | 2,131,435             | 2,148,540            |
| Rollover contributions                                  | <u>116,977</u>        | <u>501,783</u>       |
| <b>Total contributions</b>                              | <u>4,624,278</u>      | <u>4,932,799</u>     |
| <b>Total (reductions) additions</b>                     | ( <u>1,727,968</u> )  | <u>9,666,514</u>     |
| <b>Deductions from Net Assets Attributed to:</b>        |                       |                      |
| Benefits paid to participants                           | 8,993,326             | 7,442,059            |
| Administrative expenses                                 | <u>98,605</u>         | <u>104,642</u>       |
| <b>Total deductions</b>                                 | <u>9,091,931</u>      | <u>7,546,701</u>     |
| <b>Net (decrease) increase</b>                          | ( <u>10,819,899</u> ) | <u>2,119,813</u>     |
| <b>Net assets available for benefits</b>                |                       |                      |
| Beginning of year                                       | <u>51,268,329</u>     | <u>49,148,516</u>    |
| End of year                                             | \$ <u>40,448,430</u>  | \$ <u>51,268,329</u> |

See notes to financial statements





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 1 - Description of Plan**

The following description of Carter Bank & Trust 401(k) and Profit Sharing Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

**General**

The Plan, effective January 1, 1980, is a defined contribution plan covering substantially all employees of Carter Bank & Trust and its wholly owned subsidiaries (the "Bank"). Effective January 1, 2018, the Plan was amended to include employees who have a minimum of one month of service and are age twenty and one-half or older as eligible employees. Also, the Plan allows a participant to enter the Plan on the first day of January, April, July, or October that coincides with or follows the date of becoming eligible.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and was most recently amended in August 1, 2020. The Board of Directors is responsible for oversight of the Plan. The Board of Directors determines the appropriateness of the Plan's investment offerings and monitors investment performance.

**Contributions**

Each year, participants may authorize their employer to defer up to 100% of their pretax annual compensation, in accordance with procedures established by the Plan, up to allowable Internal Revenue Code (IRC) limitations. Participants may also contribute after tax wages (Roth contributions) under the voluntary contribution portion of the Plan. Participants who have attained age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants are permitted to make rollover contributions from other qualified plans to the Plan.

The Plan includes an auto-enrollment provision whereby all newly eligible employees are automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants have their deferral rate initially set at 3% of eligible compensation and their contributions invested in a designated balanced fund until changed by the participant. Additionally, unless the participant changes his or her deferral percentage, the withholding will increase by 1% annually, up to a maximum of 6%.

The employer makes Safe-Harbor Enhanced Matching Contributions on behalf of each Plan participant in an amount equal to 100% of the first 3% of base compensation that is deferred and 50% of the next 2% of base compensation that is deferred, not to exceed 5% of the participant's compensation. During the years ended December 31, 2022 and 2021, the Bank's safe-harbor matching contributions totaled \$1,290,834 and \$1,250,322, respectively.

Each year, the employer may elect to pay a profit sharing bonus at the discretion of the Bank's Board of Directors. Contributions are subject to certain limitations. During the years ended December 31, 2022 and 2021, the Bank's discretionary profit sharing contributions totaled \$840,601 and \$898,218, respectively.

**Participant accounts**

Each participant's account is credited with the participant's contribution, including amounts rolled over from other qualified plans, and the Bank's matching contributions, as well as allocations of (a) the Bank's discretionary contribution and (b) plan earnings (c) forfeited accounts, and (d) charged with an allocation of administrative expenses, losses, and withdrawals. Allocations are based on participant earnings or 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.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 1 - Description of Plan (continued)**

**Investment options**

Participants direct the investment of their contributions and any employer contributions into various investment options offered by the Plan. Discretionary profit sharing contributions may be contributed at the option of the Bank's Board of Directors and are invested into the Plan's default fund unless participant-directed investments are made. The Plan currently offers various self-directed investments, mutual funds, and money market funds as investment options for participants.

**Forfeitures**

Forfeitures of Bank contributions can be used to reduce administrative expense and/or to reduce future Bank contributions. Forfeitures were used to reduce employer contributions and related receivables as of December 31, 2022 and 2021. Forfeitures become available to the Plan as of the earlier of the last day of the Plan year in which a former employee incurs five consecutive one-year breaks in service or a distribution of the participant's entire vested account balance occurs. During the years ended December 31, 2022 and 2021, the Plan used forfeitures and applicable earnings of \$51,963 and \$50,000, respectively, to reduce Bank contributions. As of December 31, 2022 and 2021, forfeitures totaling \$69,245 and \$66,302, respectively, were available to offset future Bank contributions and administrative expenses.

**Vesting**

Participants are immediately vested in their contributions and Safe-Harbor Enhanced Matching contributions plus earnings thereon. Participants vest in the Bank's profit sharing contributions plus earnings thereon based on years of service, as defined by the Plan's agreement, according to the following schedule.

| <u>Years of Service</u> | <u>Vested Percentage</u> |
|-------------------------|--------------------------|
| 1 or less               | 0%                       |
| 1 to 2                  | 20%                      |
| 2 to 3                  | 40%                      |
| 3 to 4                  | 60%                      |
| 5+                      | 100%                     |

Participants become 100% vested in profit sharing contributions upon the attainment of normal retirement age or in the event of death or disability.

**Payment of benefits**

On termination of service due to death, disability, normal retirement (62), or other termination of employment, a participant may elect to receive a lump-sum amount or rolled into another qualified retirement plan, equal to the value of the vested interest in the participant account. The Plan allows for in-service distributions at age 59 ½. Upon proof, to the satisfaction of the Plan administrator, of an immediate and heavy financial need, amounts contributed may be withdrawn for a hardship purpose from the participant's elective deferral and vested amounts from match, Roth & safe-harbor match sub accounts. In all cases, certain income tax penalties may apply to withdrawals or distributions prior to age 59 ½.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 2 - Summary of Accounting Policies**

**Basis of accounting**

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

**Investment valuation and income recognition**

The Plan's investments are recorded 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. The Plan's management determines the Plan's valuation policies utilizing information provided by its investment advisors and the custodian. See Note 3 for a discussion of fair value measurements. Shares of mutual funds are based on quoted market prices, which represent the net asset value of shares held by the Plan at year-end. If quoted prices are unavailable, estimated fair values are based on comparable investment of other issues with similar ratings. The collective trust is based on the fair value of the underlying assets held at year-end.

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

**Payment of benefits**

Benefits are recorded upon distribution.

**Use of estimates**

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

**Risks and Uncertainties**

The Plan provides for various investment options such as mutual funds and collective trusts. Investment securities are exposed to various risks such as interest rate, market, liquidity, and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

**Revenue Sharing Arrangement**

The Plan administrator ("Fidelity") receives revenue from registered investment fund and collective trust services providers for services they provide to the funds. This revenue is used to offset certain amounts owed to Fidelity for its administrative services to the Plan.

If the revenue received by Fidelity from such fund service providers exceeds the amount owed under an agreement between Fidelity and the Bank, Fidelity remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay Plan administrative expenses or allocated to the accounts of the participants. During 2022 and 2021, there was no excess amounts. The Plan or Plan Sponsor may make a payment to Fidelity for administrative expenses not covered by revenue sharing.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 2 - Summary of Accounting Policies (continued)**

**Expenses**

Substantially all administrative expenses are paid by the Bank. Certain transaction fees are paid by the Plan. Investment related expenses are included in net appreciation of fair value of investments. The Plan paid \$98,605 for plan expenses for the year ended December 31, 2022. The Plan paid \$104,642 for plan expenses for the year ended December 31, 2021.

**Note 3 - Fair Value Measurements**

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

|         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Level 2 | <p>Inputs to the valuation methodology include</p> <ul style="list-style-type: none"> <li>• quoted prices for similar assets or liabilities in active markets;</li> <li>• quoted prices for identical or similar assets or liabilities in inactive markets;</li> <li>• inputs other than quoted prices that are observable for the asset or liability;</li> <li>• inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li> </ul> <p>If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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

Following is a description of the valuation methodologies used for assets measured at fair value at December 31, 2022 and 2021.

*Interest-bearing cash:* Shares of a money market portfolio are valued using amortized cost which approximates fair value.

*Interest in mutual funds:* Participants can invest directly in mutual fund investments. The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (level 1 inputs).

*Collective trust:* Net asset value ("NAV") as reported by the investment manager based on the value of the underlying assets. The NAV is used as a practical expedient for estimating fair value.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 3 - Fair Value Measurements (continued)**

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

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2022 and 2021:

|                                             | Total<br>Fair Value  | Fair Value<br>Measurement Using:                                                 |                                                           |
|---------------------------------------------|----------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------|
|                                             |                      | Quoted<br>Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) |
| <b>December 31, 2022</b>                    |                      |                                                                                  |                                                           |
| Mutual funds                                | \$ 28,155,052        | \$ 28,155,052                                                                    | \$ -                                                      |
| Other investments valued at net asset value | 11,451,984           | -                                                                                | -                                                         |
| Cash and cash equivalents                   | 793                  | 793                                                                              | -                                                         |
| <b>Total</b>                                | <b>\$ 39,607,829</b> | <b>\$ 28,155,845</b>                                                             | <b>\$ -</b>                                               |

|                                             | Total<br>Fair Value  | Fair Value<br>Measurement Using:                                                 |                                                           |
|---------------------------------------------|----------------------|----------------------------------------------------------------------------------|-----------------------------------------------------------|
|                                             |                      | Quoted<br>Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) |
| <b>December 31, 2021</b>                    |                      |                                                                                  |                                                           |
| Mutual funds                                | \$ 38,721,448        | \$ 38,721,448                                                                    | \$ -                                                      |
| Other investments valued at net asset value | 11,648,642           | -                                                                                | -                                                         |
| Cash and cash equivalents                   | 21                   | 21                                                                               | -                                                         |
| <b>Total</b>                                | <b>\$ 50,370,111</b> | <b>\$ 38,721,469</b>                                                             | <b>\$ -</b>                                               |

Investments measured at net asset value above are presented using the net asset value per share practical expedient. In accordance with ASU 2015-07 and Subtopic 820-10, certain investments that are 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 these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

**Investments Measured Using the Net Asset Value per Share Practical Expedient**

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2022 and 2021. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 3 - Fair Value Measurements (continued)**

| <b>December 31, 2022</b>            | <b>Fair Value</b> | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency (if<br/>currently eligible)</b> | <b>Redemption<br/>Notice Period</b> |
|-------------------------------------|-------------------|---------------------------------|-------------------------------------------------------------|-------------------------------------|
| Metlife Stable Value Solutions Fund | \$11,451,984      | n/a                             | Daily                                                       | Daily                               |

  

| <b>December 31, 2021</b>            | <b>Fair Value</b> | <b>Unfunded<br/>Commitments</b> | <b>Redemption<br/>Frequency (if<br/>currently eligible)</b> | <b>Redemption<br/>Notice Period</b> |
|-------------------------------------|-------------------|---------------------------------|-------------------------------------------------------------|-------------------------------------|
| Metlife Stable Value Solutions Fund | \$11,648,642      | n/a                             | Daily                                                       | Daily                               |

**Note 4 –Party-In-Interest Transactions**

Parties in interest are defined under the DOL regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. Certain administrative functions are performed by officers or employers of the Employer. No such officer or employee receives compensation from the Plan. Certain Plan investments are managed by Fidelity. Fidelity is the custodian/trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Expenses paid directly or indirectly by the Plan are considered party in interest transactions. Investment fees and administrative fees paid by the Plan to Fidelity totaled \$91,653 and \$100,955 for the years ended December 31, 2022 and 2021, respectively.

**Note 5 – Plan Termination**

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

**Note 6 – Income Tax Status**

The Plan has adopted a standardized prototype plan with a deferral arrangement which received a favorable opinion letter from the Internal Revenue Service (IRS) dated June 30, 2020. The Plan has been amended since receiving the determination letter. Once qualified, the Plan is required to operate in conformity with the Internal Revenue Code (IRC) to maintain its qualification. The Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the plan is qualified, and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Department of Labor. The plan administrator has analyzed the tax positions taken by the plan, and has concluded that as of December 31, 2022 and 2021, no uncertain positions are taken or are expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to December 31, 2019.





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Notes to Financial Statements**  
**December 31, 2022 and 2021**

**Note 7 – Financial Information Certified by the Trustee of the Plan**

Certain information related to investments disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including investments held at December 31, 2022 and 2021, and net appreciation (depreciation) in fair value of investments and interest and dividends for the year ended December 31, 2022 and 2021, was obtained by management and agreed to or derived from information certified as complete and accurate by Fidelity Management Trust Company (the trustee of the Plan).

|                            | <u>2022</u>   | <u>2021</u>   |
|----------------------------|---------------|---------------|
| Investments, at fair value | \$ 39,607,829 | \$ 50,370,111 |
| Investment (loss) income   | ( 6,352,246 ) | 4,733,715     |

**Note 8 – Excess Contributions**

During the years ending December 31, 2022 and 2021, there was \$-0- and \$-0- in excess participant deferral contributions to the plan, respectively.

During the year ending December 31, 2022, there was \$15,282 in excess participant match contributions to the plan. The excess contributions were forfeited in March 2023. During the year ending December 31, 2021, there was \$-0- in excess participant match contributions to the plan.

**Note 9 – Subsequent Events**

The Plan has evaluated subsequent events through July 17, 2023, the date the report is available for issuance. No other events requiring disclosure have been noted.





## Supplementary Information





**CARTER BANK & TRUST 401(K) AND PROFIT SHARING PLAN**  
**Schedule of Assets (Held at End of Year)**  
**December 31, 2022**  
**EIN 20-5539935 PL: 001**  
**(Form 5500, Schedule H, Part IV, line 4i)**

| (a)                       | (b)                                                      | (c)                                                                                                             | (d)  | (e)                  |
|---------------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|------|----------------------|
| Party-<br>in-<br>interest | Identity of Issuer, Borrower,<br>Lesser or Similar Party | Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral,<br>Par or Maturity Value | Cost | Current<br>Value     |
|                           | Cash and cash equivalents                                |                                                                                                                 |      |                      |
| *                         | Fidelity Government Money Market                         | 793.200 shares                                                                                                  | **   | \$ 793               |
|                           | Total cash and cash equivalents                          |                                                                                                                 |      | <u>793</u>           |
|                           | Mutual Funds                                             |                                                                                                                 |      |                      |
| *                         | Fidelity 500 Index Fund                                  | 50,337.606 shares                                                                                               | **   | 6,700,942            |
|                           | Vanguard Target Retirement 2030                          | 86,170.606 shares                                                                                               | **   | 2,703,172            |
|                           | Vanguard Target Retirement 2020                          | 96,397.228 shares                                                                                               | **   | 2,444,634            |
|                           | Vanguard Target Retirement 2025                          | 129,573.472 shares                                                                                              | **   | 2,161,286            |
| *                         | Fidelity US Bond Index Fund                              | 196,639.145 shares                                                                                              | **   | 2,001,786            |
|                           | Vanguard Target Retirement 2045                          | 67,835.236 shares                                                                                               | **   | 1,548,000            |
|                           | Vanguard Target Retirement 2035                          | 78,963.237 shares                                                                                               | **   | 1,527,939            |
| *                         | Fidelity Global Ex US Index Fund                         | 101,933.746 shares                                                                                              | **   | 1,279,268            |
| *                         | Fidelity Small Cap Index Fund                            | 56,630.987 shares                                                                                               | **   | 1,228,892            |
|                           | Vanguard Target Retirement 2040                          | 34,200.385 shares                                                                                               | **   | 1,162,813            |
|                           | Vanguard Target Retirement Income                        | 76,913.897 shares                                                                                               | **   | 941,426              |
|                           | Vanguard Target Retirement 2050                          | 22,898.009 shares                                                                                               | **   | 865,545              |
|                           | Vanguard Real Estate Index Fund Admiral                  | 6,532.190 shares                                                                                                | **   | 763,417              |
|                           | Vanguard Target Retirement 2055                          | 14,647.527 shares                                                                                               | **   | 617,686              |
|                           | PIMCO Diversified Income Fund                            | 57,076.862 shares                                                                                               | **   | 518,829              |
|                           | T. Rowe Price Blue Chip Growth Fund                      | 4,681.238 shares                                                                                                | **   | 486,474              |
|                           | Vanguard Target Retirement 2060                          | 10,604.371 shares                                                                                               | **   | 411,768              |
| *                         | Fidelity Mid Cap Index Fund                              | 10,394.046 shares                                                                                               | **   | 269,414              |
|                           | MFS International Diversification Class R6               | 11,043.620 shares                                                                                               | **   | 223,523              |
|                           | MFS Value Fund Class R6                                  | 3,800.376 shares                                                                                                | **   | 180,328              |
|                           | Vanguard Target Retirement 2065                          | 2,524.938 shares                                                                                                | **   | 64,234               |
|                           | PIMCO Real Return Institutional                          | 5,372.924 shares                                                                                                | **   | 53,676               |
|                           | Total mutual funds                                       |                                                                                                                 |      | <u>28,155,052</u>    |
|                           | Collective Trusts:                                       |                                                                                                                 |      |                      |
|                           | Wilmington Trust MetLife Stable Value                    | 1,054,627.076 shares                                                                                            | **   | 11,451,984           |
|                           | Total Collective trusts                                  |                                                                                                                 |      | <u>11,451,984</u>    |
|                           | Total assets held at year end                            |                                                                                                                 |      | <u>\$ 39,607,829</u> |

\* A party-in-interest as defined by ERISA

\*\* Cost omitted for participant-directed investments.

The above information has been certified by Fidelity Management Trust Company, the trustee, as complete and accurate.

