

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A This return/report is for:	<input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
B This return/report is	<input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report <input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)
C Check box if filing under:	<input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> DFVC program <input type="checkbox"/> special extension (enter description)
D If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	<input type="checkbox"/>

Part II	Basic Plan Information —enter all requested information
1a Name of plan STATE TELEPHONE COMPANY EMPLOYEES' BENEFIT PLAN	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 12/01/1960
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) STATE TELEPHONE COMPANY, INC. 46 REED STREET COXSACKIE, NY 12051	2b Employer Identification Number (EIN) 14-1091170
	2c Sponsor's telephone number 518-731-6128
	2d Business code (see instructions) 517000
3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	4b EIN
	4d PN
5a Total number of participants at the beginning of the plan year.....	5a 26
b Total number of participants at the end of the plan year	5b 27
c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	5c
d(1) Total number of active participants at the beginning of the plan year	5d(1) 21
d(2) Total number of active participants at the end of the plan year.....	5d(2) 22
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	5e 0

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/28/2023	MARK R EVANS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/28/2023	MARK R EVANS
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

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

Form 5500-SF (2022)
v.220413

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 467845. (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets.....	7a	3904283	4119932
b Total plan liabilities.....	7b		
c Net plan assets (subtract line 7b from line 7a).....	7c	3904283	4119932
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers.....	8a(1)	304853	
(2) Participants.....	8a(2)		
(3) Others (including rollovers).....	8a(3)		
b Other income (loss).....	8b	-82866	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b).....	8c		221987
d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d	6338	
e Certain deemed and/or corrective distributions (see instructions).....	8e		
f Administrative service providers (salaries, fees, commissions).....	8f		
g Other expenses.....	8g		
h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h		6338
i Net income (loss) (subtract line 8h from line 8c).....	8i		215649
j Transfers to (from) the plan (see instructions).....	8j		

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 3D
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program).....	10a		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.).....	10b		X	
c Was the plan covered by a fidelity bond?.....	10c	X		500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?.....	10d		X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.).....	10e		X	
f Has the plan failed to provide any benefit when due under the plan?.....	10f		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.).....	10g		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	10h		X	
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	10i			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below. ☒ Yes ☐ No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40..... **11a** 0

b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 _____

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a 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 letter ruling granting the waiver.Month Day Year

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?..... ☐ Yes ☒ No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

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

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

A Name of plan <u>STATE TELEPHONE COMPANY EMPLOYEES' BENEFIT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>STATE TELEPHONE COMPANY, INC.</u>	D Employer Identification Number (EIN) <u>14-1091170</u>
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2022</u>	
2 Assets:	
a Market value.....	2a <u>3904283</u>
b Actuarial value	2b <u>3904283</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>1</u> (2) Vested Funding Target <u>85528</u> (3) Total Funding Target <u>85528</u>
b For terminated vested participants.....	<u>4</u> <u>435310</u> <u>435310</u>
c For active participants.....	<u>21</u> <u>2896413</u> <u>2910986</u>
d Total	<u>26</u> <u>3417251</u> <u>3431824</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>	
a Funding target disregarding prescribed at-risk assumptions.....	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate.....	5 <u>5.53</u> %
6 Target normal cost	
a Present value of current plan year accruals.....	6a <u>176720</u>
b Expected plan-related expenses	6b <u>0</u>
c Total (line 6a + line 6b)	6c <u>176720</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>09/25/2023</u>
Signature of actuary		Date
<u>MICHAEL MIKHITARIAN, FSA, CFA</u>		<u>23-05834</u>
Type or print name of actuary		Most recent enrollment number
<u>MILLIMAN, INC.</u>		<u>518-514-7100</u>
Firm name		Telephone number (including area code)
<u>3 WINNERS CIRCLE</u> <u>SUITE 300</u> <u>ALBANY, NY 12205</u>		
Address of the firm		

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

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	111268
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	111268
10 Interest on line 9 using prior year's actual return of <u>8.53</u> %	0	9491
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		295660
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.72</u> %.....		16912
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		312572
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	120759

Part III Funding Percentages		
14 Funding target attainment percentage	14	110.24 %
15 Adjusted funding target attainment percentage	15	113.76 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	109.61 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/06/2022	25404		07/07/2022	25404	
02/03/2022	25404		08/04/2022	25405	
03/10/2022	25404		09/08/2022	25405	
04/07/2022	25404		10/06/2022	25405	
05/05/2022	25404		11/03/2022	25405	
06/02/2022	25404		12/08/2022	25405	
Totals ►			18(b)	304853	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c	297287
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? <input type="checkbox"/> Yes <input type="checkbox"/> No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.18 %	3rd segment: 5.92 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 2
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
26 Demographic and benefit information		
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c).....	31a	176720	
b Excess assets, if applicable, but not greater than line 31a	31b	176720	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	297287	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	297287	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021
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State Telephone Company Employees' Benefit Plan and Trust
EIN/PN: 14-1091170/001
Attachment to 2022 Form 5500
Schedule SB, Line 19 - Discounted Employer Contributions

Line 19a. - Contribution Allocated Toward Unpaid Minimum Required Contribution from Prior Plan Years

None

Line 19b. - Contributions Made To Avoid Benefit Restrictions

None

Line 19c. - Contributions Allocated Toward Minimum Required Contribution for Current Year

Date	Plan Year to Apply Contribution	Effective Interest Rate	Late Quarterly Interest Rate	Contribution Amount	Discounted Value as of 1/1/2022
01/06/2022	2022	5.53%		\$ 25,404	\$ 25,385
02/03/2022	2022	5.53%		25,404	25,281
03/10/2022	2022	5.53%		25,404	25,151
04/07/2022	2022	5.53%		25,404	25,047
05/05/2022	2022	5.53%		25,404	24,944
06/02/2022	2022	5.53%		25,404	24,841
07/07/2022	2022	5.53%		25,404	24,713
08/04/2022	2022	5.53%		25,405	24,612
09/08/2022	2022	5.53%		25,405	24,485
10/06/2022	2022	5.53%		25,405	24,385
11/03/2022	2022	5.53%		25,405	24,284
12/08/2022	2022	5.53%		25,405	24,159
Total				304,853	297,287

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

**Schedule SB, line 22 – Description of Weighted Average Retirement
Age**

All participants are assumed to retire at their Normal Retirement Age (Age 65).

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

Schedule SB, line 26a – Schedule of Active Participant Data

The number of active participants, summarized by attained age and years of credited service as of January 1, 2022, is shown below.

Age	Years of Credited Service										Total
	0	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40+	
0–24	-	2	-	-	-	-	-	-	-	-	2
25–29	-	-	-	-	-	-	-	-	-	-	-
30–34	-	-	-	-	-	-	-	-	-	-	-
35–39	-	-	-	1	-	-	-	-	-	-	1
40–44	-	-	1	-	1	-	-	-	-	-	2
45–49	-	1	-	-	1	1	-	-	-	-	3
50–54	-	-	-	-	-	-	-	-	-	-	-
55–59	-	1	2	-	1	1	-	3	-	-	8
60–64	-	-	1	1	-	1	1	-	-	-	4
65–69	-	-	-	1	-	-	-	-	-	-	1
70+	-	-	-	-	-	-	-	-	-	-	-
Total	-	4	4	3	3	3	1	3	-	-	21

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Actuarial Cost Method

The valuation of retirement benefits is determined under the "Unit Credit Actuarial Cost Method", as prescribed by the Pension Protection Act of 2006 (PPA). In this method, the regular Plan cost arises from two sources: a Target Normal Cost and an Amortization Payment for the Funding Target Shortfall.

The Funding Target is determined as the actuarial present value of benefits as of the valuation date. The Shortfall is equal to the Funding Target less the Actuarial Value of Assets as of the valuation date.

The Normal Cost is the Actuarial Present Value of benefits expected to accrue during the valuation year plus anticipated administrative expense, if any.

Asset Valuation Method: Fair Market Value of Assets.

Assumptions

Interest Rates:

PPA Funding:

Segment Rates with 2 month look-back period.

	Minimum Required
Segment 1:	4.75%
Segment 2:	5.18%
Segment 3:	5.92%

Salary Increases: 3.00% per year

ERISA minimum funding, Maximum Deductible Contribution: Generational mortality per code section 1.430(h)(3)-(1).

Withdrawal: Rates varying by age. Sample rates:

Age	Rate
25	.0527
40	.0384
55	.0033

Disability: None assumed.

Retirement: All participants are assumed to retire at their Normal Retirement Age.

Marriage Assumption: 80% of participants are assumed to be married to a spouse of the opposite sex. Males are assumed to be 3 years older than females.

Administrative Expenses: None assumed.

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Form of Payment: Lump sum distribution for all participants.

For PPA, lump sum payments are valued using the Applicable Mortality Table in effect for the current plan year and PPA funding interest rates as mandated under the provisions IRC Section 417(e)(3).

Participant Data: As of January 1, 2022.

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

Schedule SB, Part V – Summary of Plan Provisions

The actuarial valuation was prepared in accordance with the provisions of the plan, a summary of which is presented below. The summary describes the principal provisions only and is not intended to be authoritative. For questions about specific benefits, please refer to the plan document. This summary of plan provisions is intended to only describe the essential features of the plan.

Basic Information

Plan Name: State Telephone Company Employees' Benefit Plan.

Effective Date of Plan: December 1, 1960.

EIN/PN: 14-1091170/001.

Plan Year: January 1 – December 31.

Participation: An employee shall become eligible to participate in the Plan on the earlier of January 1st or July 1st which coincides with or next follows completion of one Year of Service and attainment of age 21.

Compensation: Aggregate compensation reported for the year.

Average Monthly Compensation: 1/12 of the average of the highest 5 consecutive calendar years of compensation during the 10-year period ending on the earliest of termination, early retirement or normal retirement dates, limited as required by IRC Section 401(a)(17).

Benefit Service: An employee will be granted one year of benefit service for each plan year in which 1,000 hours are reported.

Vesting Service: An employee will be granted one year of benefit service for each plan year in which 1,000 hours are reported.

Integration Level: Participant's Covered Compensation for the Plan Year.

Excess Average Annual Compensation: Portion, if any, of Average Annual Compensation in excess of the Integration Level.

Benefit Formulas and Eligibilities

Normal Retirement

Normal Retirement Date: All participants on the later of age 65 or completion of 5 years of participation.

Normal Retirement Benefit: The sum of (i) and (ii):

(i) 1.50% of average monthly compensation multiplied by years of credited service (not to exceed 35 years), plus (ii) 0.65% of average monthly compensation in excess of the integration level multiplied by years of benefit service (not to exceed 35 years).

Deferred Retirement Benefit: Calculated in the same manner as described in Normal Retirement above, based on service at actual retirement date, however, not less than the Actuarial Equivalent of the Participant's Normal Retirement Benefit.

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

Schedule SB, Part V – Summary of Plan Provisions

Early Retirement

Early Retirement Date: On the first of the month on or next following attainment of age 60 and completion of 6 years of Vesting Service. For participants prior to January 1, 1995, only one Year of Vesting Service is required.

Early Retirement Benefit: The participant's benefit described in Normal Retirement Benefit above, based on benefit service and average monthly compensation at retirement, reduced by 1/180th for each of the first 60 months that the benefit commencement date precedes Normal Retirement Date.

Vested Termination

Vested Termination Date: Vested Percentage is determined in accordance with the following table:

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

Termination Benefit: The participant's benefit described in Normal Retirement Benefit above, based on credited service and average monthly compensation at termination reduced in accordance with early retirement for each month that commencement of payments precedes the participant's Normal Retirement Date.

Preretirement Surviving Spouse Coverage

Preretirement Surviving Spouse Benefit Eligibility: Spouses or designated beneficiaries of vested participants who die before payments have commenced.

Preretirement Surviving Spouse Benefit: If eligible for early retirement, the amount which would have been payable to the spouse had the participant retired on the first day of the month in which his death occurred, having elected a 50% joint and survivor annuity. Monthly payments will begin as of the first day of the month following the participant's death and will continue for the life of the beneficiary.

If not eligible for early retirement, the amount which would have been payable to the beneficiary had the participant terminated on the day he dies, survived to his earliest retirement age, retired (having elected a 50% joint and survivor) and then died the day after retirement. Monthly payments will begin on what would have been the participant's earliest retirement date and will continue for the life of the beneficiary.

State Telephone Company
Employees' Benefit Plan and Trust
EIN 14-1091170/ PN 001

Schedule SB, Part V – Summary of Plan Provisions

In addition to the preretirement surviving spouse annuity, a lump sum death benefit will be paid to the surviving spouse or other named beneficiary. The lump sum is equal to 100% of the actuarial equivalent value of the participant's accrued benefit, minus the actuarial equivalent value of the preretirement surviving spouse annuity. The surviving spouse may elect to receive the actuarial equivalent value of the preretirement surviving spouse annuity in lieu of the monthly pension.

Forms of Payment

Normal Forms: 10 Year Certain & Life Annuity. A participant that is married must take the benefit in the form of a Joint and 50% Survivor benefit unless the spouse provides written consent to waive the Joint & 50% Survivor benefit.

Optional Forms: Actuarially equivalent Single Life, 50%, 66 $\frac{2}{3}$ %, 75% or 100% joint and survivor, 5, 10 or 15 years certain options and a lump sum.

The normal form of benefit is converted to an optional form of benefit based on the Plan's definition of Actuarial Equivalence.

For purposes of Actuarial Equivalence, the Plan uses the 1983 Group Mortality Table blended 50% males and 50% females and an interest rate of 6.50% for all options except lump sums.

For lump sums, the applicable Code Section 417(e)(3) mortality table and the first, second, and third segment rates under Code Section 417(e) published during November of the preceding year are used.

Changes in Plan Provisions since Prior Valuation

The plan provisions used in this valuation are the same as those used in calculating the 2021 actuarial valuation report.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning	01/01/2022	and ending	12/31/2022
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► **Round off amounts to nearest dollar.**

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

A Name of plan State Telephone Company Employees' Benefit Plan	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF State Telephone Company, Inc.	D Employer Identification Number (EIN) 14-1091170	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500		

Part I	Basic Information		
1	Enter the valuation date: Month <u> 1 </u> Day <u> 1 </u> Year <u> 2022 </u>		
2	Assets:		
	a Market value	2a	3,904,283
	b Actuarial value	2b	3,904,283
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	1	85,528
	b For terminated vested participants.....	4	435,310
	c For active participants	21	2,896,413
	d Total.....	26	3,417,251
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b	
5	Effective interest rate	5	5.53 %
6	Target normal cost.....		
	a Present value of current plan year accruals.....	6a	176,720
	b Expected plan-related expenses	6b	0
	c Total (line 6a + line 6b)	6c	176,720

Statement by Enrolled Actuary

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

SIGN HERE	 Signature of actuary Michael Mikhitarian, FSA, CFA Type or print name of actuary Milliman, Inc. Firm name 3 Winners Circle Suite 300 Albany NY 12205 Address of the firm	09/25/2023 Date 23-05834 Most recent enrollment number (518) 514-7100 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	111,268
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	111,268
10 Interest on line 9 using prior year's actual return of <u>8.53</u> %	0	9491
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		295660
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.72</u> %		16912
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		312572
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	120759

Part III Funding Percentages

14 Funding target attainment percentage	14	110.24%
15 Adjusted funding target attainment percentage	15	113.76%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	109.61%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/06/2022	25,404		07/07/2022	25,404	
02/03/2022	25,404		08/04/2022	25,405	
03/10/2022	25,404		09/08/2022	25,405	
04/07/2022	25,404		10/06/2022	25,405	
05/05/2022	25,404		11/03/2022	25,405	
06/02/2022	25,404		12/08/2022	25,405	
Totals ▶			18(b)	304,853	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	297,287

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.18 %	3rd segment: 5.92 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
26 Demographic and benefit information	
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c)	31a	176,720	
b Excess assets, if applicable, but not greater than line 31a	31b	176,720	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment			
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	297,287	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	297,287	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021
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