

<p>3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor</p> <p>PAULA J. BISHOP</p> <p>P.O. BOX 430 DENTON, MD 21629</p>	<p>3b Administrator's EIN 52-0271943</p> <p>3c Administrator's telephone number 410-479-8583</p>
<p>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:</p> <p>a Sponsor's name</p> <p>c Plan Name</p>	<p>4b EIN</p> <p>4d PN</p>
<p>5 Total number of participants at the beginning of the plan year</p>	<p>5 152</p>
<p>6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).</p>	
<p>a(1) Total number of active participants at the beginning of the plan year</p>	<p>6a(1) 123</p>
<p>a(2) Total number of active participants at the end of the plan year</p>	<p>6a(2) 0</p>
<p>b Retired or separated participants receiving benefits</p>	<p>6b 0</p>
<p>c Other retired or separated participants entitled to future benefits.....</p>	<p>6c 0</p>
<p>d Subtotal. Add lines 6a(2), 6b, and 6c.....</p>	<p>6d 0</p>
<p>e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.</p>	<p>6e 0</p>
<p>f Total. Add lines 6d and 6e</p>	<p>6f 0</p>
<p>g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....</p>	<p>6g</p>
<p>h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....</p>	<p>6h 0</p>
<p>7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)</p>	<p>7</p>
<p>8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1I 3D 1A 1H</p> <p>b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:</p>	
<p>9a Plan funding arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input checked="" type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>	<p>9b Plan benefit arrangement (check all that apply)</p> <p>(1) <input checked="" type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input checked="" type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>
<p>10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)</p>	
<p>a Pension Schedules</p> <p>(1) <input checked="" type="checkbox"/> R (Retirement Plan Information)</p> <p>(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</p> <p>(3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</p>	<p>b General Schedules</p> <p>(1) <input checked="" type="checkbox"/> H (Financial Information)</p> <p>(2) <input type="checkbox"/> I (Financial Information – Small Plan)</p> <p>(3) <input checked="" type="checkbox"/> ¹ A (Insurance Information)</p> <p>(4) <input type="checkbox"/> C (Service Provider Information)</p> <p>(5) <input type="checkbox"/> D (DFE/Participating Plan Information)</p> <p>(6) <input type="checkbox"/> G (Financial Transaction Schedules)</p>

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 _____

<p>SCHEDULE A (Form 5500)</p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p>Insurance Information</p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ File as an attachment to Form 5500.</p> <p>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</p>	<p>OMB No. 1210-0110</p> <hr/> <p>2022</p> <hr/> <p>This Form is Open to Public Inspection</p>
---	--	--

For calendar plan year 2022 or fiscal plan year beginning **01/01/2022** and ending **12/29/2022**

<p>A Name of plan CHOPTANK ELECTRIC COOPERATIVE DEFINED BENEFIT PLAN</p>	<p>B Three-digit plan number (PN) ▶</p>	<p>003</p>
<p>C Plan sponsor's name as shown on line 2a of Form 5500 CHOPTANK ELECTRIC COOPERATIVE, INC.</p>	<p>D Employer Identification Number (EIN) 52-0271943</p>	

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

1 Coverage Information:

(a) Name of insurance carrier
MIDLAND NATIONAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
46-0164570	66044	190083A	15	01/01/2022	12/29/2022

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

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

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ **APPLICABLE MORTALITY TABLE & INTEREST RATE DETERMINED BY INS. CO.**

b Premiums paid to carrier	6b	6795000
c Premiums due but unpaid at the end of the year	6c	0
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d	

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

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

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

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

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

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

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

Part IV Provision of Information

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

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

SCHEDULE 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
---	--	--

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/29/2022

▶ **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>CHOPTANK ELECTRIC COOPERATIVE DEFINED BENEFIT PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>CHOPTANK ELECTRIC COOPERATIVE, INC.</u>		
D Employer Identification Number (EIN) <u>52-0271943</u>		

E Type of plan: Single Multiple-A Multiple-B **F** Prior year plan size: 100 or fewer 101-500 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>27757413</u>	
b Actuarial value.....	2b	<u>27757413</u>	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	<u>22</u>	<u>8656404</u>	<u>8656404</u>
b For terminated vested participants.....	<u>7</u>	<u>68006</u>	<u>68006</u>
c For active participants.....	<u>123</u>	<u>19093727</u>	<u>19177021</u>
d Total.....	<u>152</u>	<u>27818137</u>	<u>27901431</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>5.58 %</u>	
6 Target normal cost.....			
a Present value of current plan year accruals.....	6a	<u>0</u>	
b Expected plan-related expenses.....	6b	<u>5000</u>	
c Total (line 6a + line 6b).....	6c	<u>5000</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			
	Signature of actuary	<u>10/11/2023</u>	Date
	<u>LAURA V. HESS, FSA, EA, MAAA</u>	<u>23-06907</u>	Most recent enrollment number
	Type or print name of actuary	<u>717-652-5633</u>	Telephone number (including area code)
	<u>CONRAD SIEGEL</u>		
	Firm name		
	<u>P.O. BOX 5900, 501 CORPORATE CIRCLE</u> <u>HARRISBURG, PA 17110-0900</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	0
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	0
10	Interest on line 9 using prior year's actual return of <u>17.97</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year).....		1665357
	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>5.74</u> %.....		95591
	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.....		1760948
	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	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	99.48 %
15	Adjusted funding target attainment percentage	15	99.48 %
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	110.71 %
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
08/06/2022	10300000	0			
10/14/2022	6188388	0			
			Totals ▶	18(b)	18(c)
				16488388	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 15903425
20	Quarterly contributions and liquidity shortfalls:	
	a Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input checked="" 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
0	0	0	0

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** 4

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate 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. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes 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. Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... Yes 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	5000
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	144018	13309
b Waiver amortization installment.....	0	0

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	18309
--	-----------	-------

	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	18309
--	-----------	-------

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	15903425
--	-----------	----------

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	15885116
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. 2019 2020 2021

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

► **File as an attachment to Form 5500.**

OMB No. 1210-0110

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning **01/01/2022**

and ending **12/29/2022**

A Name of plan CHOPTANK ELECTRIC COOPERATIVE DEFINED BENEFIT PLAN	B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 CHOPTANK ELECTRIC COOPERATIVE, INC.	D Employer Identification Number (EIN) 52-0271943

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	29026976	0
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests.....	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	29026976	0
Liabilities			
g Benefit claims payable.....	1g	0	0
h Operating payables.....	1h	0	0
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	29026976	0

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	16488388	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		16488388
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)	121132	
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		121132
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		16609520
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	38837346	
(2) To insurance carriers for the provision of benefits	2e(2)	6795000	
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		45632346
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	4150	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		4150
j Total expenses. Add all expense amounts in column (b) and enter total	2j		45636496
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-29026976
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

- (1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

- (1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **ADAMS, JENKINS & CHEATHAM**

(2) EIN: **54-1320089**

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	

		Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... Yes No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

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 489601.

SCHEDULE R (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>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
--	---	---

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/29/2022

A Name of plan <u>CHOPTANK ELECTRIC COOPERATIVE DEFINED BENEFIT PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHOPTANK ELECTRIC COOPERATIVE, INC.</u>	D Employer Identification Number (EIN) <u>52-0271943</u>	

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	0
---	---

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): _____

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	137
---	-----

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

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a	
b Enter the amount contributed by the employer to the plan for this plan year.....	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... Increase Decrease Both No

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... Yes No

11 a Does the ESOP hold any preferred stock?..... Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... Yes No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
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)	14b	
c 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).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
b The corresponding number for the second preceding plan year.....	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
 0-3 years 3-6 years 6-9 years 9-12 years 12-15 years 15-18 years 18-21 years 21 years or more

c What duration measure was used to calculate line 19(b)?
 Effective duration Macaulay duration Modified duration Other (specify): _____

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? Yes No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

Yes.

No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

No. Other. Provide explanation _____

**Choptank Electric Cooperative Defined Benefit Plan
Audited Financial Statements
and Supplementary Information
December 29, 2022**

Contents

Audited Financial Statements

Independent Auditor's Report.....	Page	1 - 3
Statements of Net Assets in Liquidation Available for Benefits		4
Statement of Changes in Net Assets in Liquidation Available for Benefits		5
Statement of Changes in Accumulated Plan Benefits.....		6
Notes to Financial Statements.....		7 - 12

Supplemental Information:

Schedule of Reportable Transactions - Schedule H, Line 4j.....		13
---	--	----



Independent Auditor's Report

To the Administrative Committee of
the Choptank Electric Cooperative Defined Benefit Plan

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

We have performed the audit of the accompanying financial statements of Choptank Electric Cooperative Defined Benefit Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statements of net assets in liquidation available for benefits as of December 29, 2022 and December 31, 2021, and the related statement of changes in net assets in liquidation available for benefits for the year ended December 29, 2022, and the statement of changes in accumulated plan benefits for the year ending December 31, 2021, and the related notes to the financial statements.

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

Management has obtained certifications from a qualified institution as of December 29, 2022 and December 31, 2021, and for the year ended December 29, 2022, stating that the certified investment information, as described in Note C 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 Choptank Electric Cooperative Defined Benefit 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 Choptank Electric Cooperative Defined Benefit Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is 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 judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Choptank Electric Cooperative Defined Benefit Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Choptank Electric Cooperative Defined Benefit Plan's ability to continue as a going concern for a reasonable period of time.

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

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

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

Supplemental Schedules Required by ERISA

The supplemental schedule of Reportable Transactions as of December 29, 2022, is presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or 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 supplemental 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 supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by 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).

Richmond, Virginia
August 23, 2023



Statements of Net Assets in Liquidation Available for Benefits

Choptank Electric Cooperative Defined Benefit Plan

Assets	<u>December 29,</u> 2022 <u>In liquidation</u>	<u>December 31,</u> 2021 <u>In liquidation</u>
Investments, at fair value	\$ <u> </u>	\$ <u>29,026,976</u>
Total Assets	<u> </u>	<u>29,026,976</u>
Net Assets in Liquidation Available for Benefits	\$ <u> </u>	\$ <u>29,026,976</u>

See Independent Auditor’s Report and Notes to Financial Statements

**Statement of Changes in Net Assets in Liquidation
Available for Benefits
Choptank Electric Cooperative Defined Benefit Plan**

Year Ended December 29, 2022

Additions to Net Assets

Investment income		
Interest and dividends	\$	121,132
Employer Contributions		<u>16,488,388</u>
	Total Additions	<u>16,609,520</u>

Deductions from Net Assets

Benefits paid directly to participants		38,837,346
Purchase of annuity contract		6,795,000
Administrative expenses		<u>4,150</u>
	Total Deductions	<u>45,636,496</u>
	Net Decrease	(29,026,976)

Net assets available for benefits at beginning of year		<u>29,026,976</u>
	Net Assets in Liquidation Available for Benefits at End of Year	<u>\$</u>

See Independent Auditor's Report and Notes to Financial Statements

Statement of Changes in Accumulated Plan Benefits

Choptank Electric Cooperative Defined Benefit Plan

Year Ended December 29, 2022

Actuarial Present Value of Accumulated Plan Benefits at Beginning of Year	\$ 23,438,880
Increase (decrease) during the year attributable to:	
Change in Actuarial Assumptions due to Lump Sum Elections	15,633,819
Change in Actuarial Assumptions - Annuity Purchase	1,898,588
Increase for Interest	1,318,437
Benefits Paid	(35,494,724)
Annuities Purchased	<u>(6,795,000)</u>
Actuarial Present Value of Accumulated Plan Benefits at End of Year	<u>\$ <u> </u></u>

See Independent Auditor's Report and Notes to Financial Statements

Notes to Financial Statements

Choptank Electric Cooperative Defined Benefit Plan

December 29, 2022

Note A - Description of Plan

The following description of the Choptank Electric Cooperative Defined Benefit Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions. Choptank Electric Cooperative (the "Plan sponsor") ceased participation in the National Rural Electric Cooperative Association Retirement Security Plan as of April 1, 2020. The Plan was spun off from that plan and began its operations January 1, 2021. On January 20, 2022, the Plan approved a termination amendment setting a termination date of April 1, 2022. During 2022, all assets were paid out. The following description of the Plan refers to the operation of the Plan prior to termination and liquidation of the assets.

General

The Plan is a defined benefit, noncontributory retirement plan covering substantially all employees of Choptank Electric Cooperative who have completed one year of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). Benefit accruals were frozen effective April 1, 2020.

Pension Benefits

Participants are entitled to annual pension benefits beginning at normal retirement age sixty-five (65) equal to the employee's accrued benefit at the employee's retirement date, the first day of the month on or after the participant attains age 65. Participants hired before January 1, 2016 have a normal retirement date of age 62. The normal retirement pension is payable monthly as long as the participant lives, with payments continuing after the participant's death during his spouse's lifetime equal to 50% of the amount payable to the participant.

If the participant was hired on or after January 1, 2016, his monthly benefit as of his normal retirement age will equal 1/12 of 1.2% of average annual compensation multiplied by the years of benefit service credited.

If the participant was hired before January 1, 2016, his monthly benefit as of his normal retirement age will equal 1/12 of:

- 1% of average annual compensation multiplied by the years of benefit service credited through December 31, 1992; plus
- 1.2% of average annual compensation multiplied by the years of benefit service credited from January 1, 1993 through March 31, 1997; plus
- 1.5% of average annual compensation multiplied by the years of benefit service credited from April 1, 1997 through March 31, 2020.

Employees may elect to receive their pension benefits in the form of a life annuity, Life annuity with guaranteed period, life annuity with cash refund, a joint and survivor annuity with 100%, 75%, or 50% survivor annuity, joint and survivor annuity with cash refund, cost of living adjustment option, or a lump sum in cases where the lump sum value of the benefit is less than \$5,000. There is also a combined lump sum and annuity option in increments of 10% and payable beginning on the same date.

Notes to Financial Statements

Choptank Electric Cooperative Defined Benefit Plan

December 29, 2022

Note A - Description of Plan - Continued

Death and Disability Benefits

If a participant qualifies for early or normal retirement but dies before he begins to receive a retirement benefit, the Plan will pay the named beneficiary a pre-retirement death benefit equal to the present value of the participant's benefit accrued to date. Otherwise, if a participant dies before he begins to receive benefits, the Plan will pay the named beneficiary a pre-retirement death benefit based upon the 50% of the participant's benefit payable in normal form. The participants were credited with years of benefit and vesting service while disabled prior to April 1, 2020.

Contributions

The Plan sponsor contributes amounts to fund at least the minimum contribution required by ERISA as determined by actuarial computations. The Plan has met its minimum funding obligations under ERISA for 2021. Effective for plan years beginning after April 1, 2020, mandatory employee contributions are no longer required under the Plan. A participant's benefit can never be less than his accumulated employee contributions.

Vesting

If employment terminates other than by retirement or disability, the amount payable from the Plan is based on a five-year graded vesting schedule.

Note B - Significant Accounting Policies

Basis of Presentation

The financial statements of the Plan are prepared on the liquidation basis of accounting as the Plan sponsor has determined that termination is imminent in accordance with Financial Accounting Standards Board ("FASB") ASC 205-30.

Estimates

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

Investment Valuation and Income Recognition

Investments are stated at fair value determined primarily by quoted market prices. Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis and dividend income is recorded on the ex-dividend date. Net appreciation includes the plan's gains and losses on investments bought and sold as well as held during the year.

Notes to Financial Statements

Choptank Electric Cooperative Defined Benefit Plan

December 29, 2022

Note B - Significant Accounting Policies - Continued

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service the employees have rendered. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and present employees or their beneficiaries.

The actuarial present value of accumulated plan benefits is determined by an actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. At December 29, 2022, all assets of the plan had been paid to beneficiaries, and all liabilities for benefits had been satisfied. Accordingly, there is no statement of Accumulated Plan Benefits in these financial statements.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Plan expenses are paid by either the Plan or the Plan sponsor, as defined in the Plan document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets in liquidation available for benefits.

Subsequent Events

In preparing its financial statements, Plan management considered subsequent events through August 23, 2023, which was the date the financial statements were available to be issued.

Note C - Certified Assets

The Plan's administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan's administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by the trustee, Vanguard Trust Company, as of December 29, 2022, except for comparing such information certified by the Trustee to information included in the Plan's financial statements and supplemental schedule.

Notes to Financial Statements

Choptank Electric Cooperative Defined Benefit Plan

December 29, 2022

Note C - Certified Assets - Continued

The following table represents the investments and income that were certified by the Trustee :

	December 29, 2022	December 31, 2021
Investments at fair value	\$ <u> </u>	\$ <u>29,026,926</u>
Interest and Dividends	\$ <u>121,132</u>	\$ <u>3,711,318</u>

Note D - Fair Value Measurements

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

The three levels of the fair value hierarchy 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 - Inputs to the valuation methodology include:

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

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

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

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

Notes to Financial Statements

Choptank Electric Cooperative Defined Benefit Plan

December 29, 2022

Note D - Fair Value Measurements - Continued

The following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used as of December 31, 2021.

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

The following table sets forth by level, within the fair value hierarchy the plan’s assets at fair value:

	December 31, 2021			
	Total	Level 1	Level 2	Level 3
Money Market Funds	<u>\$ 29,026,926</u>	<u>\$ 29,026,926</u>	<u>\$</u>	<u>\$</u>

Note E - Transactions with Parties in Interest

Amounts paid to the Trustees for administrative investment and trustees fees were \$4,150 for the year ended December 29, 2022.

Note F - Plan Termination

When the Plan terminated, the net assets of the Plan were allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. An amount allocated equal to that portion of each individual’s accrued benefit that is derived from the participant’s voluntary contributions.
2. An amount allocated equal to that portion of each individual’s accrued benefit that is derived from the participant’s mandatory contributions.
3. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
4. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations
5. All other vested benefits (that is, vested benefits not insured by the PBGC).
6. All nonvested benefits.

Notes to Financial Statements

Choptank Electric Cooperative Defined Benefit Plan

December 29, 2022

Note F - Plan Termination - Continued

Certain benefits under the Plan were insured by the PBGC when the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination.

Whether all participants received their benefits when the Plan terminated will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

As of the date of this report, all participants were receiving, or had received their benefit. Terminated vested participants were paid out by lump sum distributions, and an annuity contract was purchased in the amount of \$6,795,000 in 2022 to fulfill the Plan's obligations to retirees currently receiving benefits.

Note G - Tax Status

The sponsor of the Volume Submitter Defined Benefit Plan adopted by this Plan has obtained an Opinion Letter dated March 30, 2018 in which the IRS stated that the Volume Submitter Plan was in compliance with the applicable provisions of the Internal Revenue Code (IRC). The Plan administrator timely adopted the Plan. The Plan administrator believes that the Plan is currently being operated in accordance with the IRC.

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 if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note H - Risks and Uncertainties

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

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

Supplemental Information

Schedule of Reportable Transactions - Schedule H, Line 4j

Choptank Electric Cooperative Defined Benefit Plan

Year Ended December 29, 2022

Employer Identification Number: 52-0271943 Plan Number: 003

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Investment	Purchase Price	Selling Price	Lease Rental	Expense Incurred	Cost of Asset	Value of Asset on Date of Transaction	Net Gain (Loss)
Vanguard								
Treasury Money Market	Sale of 1,548,131 shares	\$ 1.00	N/A	N/A	N/A	ND	\$ 1,548,131	ND
Vanguard								
Treasury Money Market	Sale of 35,536,361 shares	\$ 1.00	N/A	N/A	N/A	ND	\$ 35,536,361	ND
Vanguard								
Treasury Money Market	Sale of 6,750,000 shares	\$ 1.00	N/A	N/A	N/A	ND	\$ 6,750,000	ND
Vanguard								
Treasury Money Market	Purchase of 10,300,000 shares	\$ 1.00	N/A	N/A	N/A	ND	\$ 10,300,000	ND
Vanguard								
Treasury Money Market	Purchase of 6,275,000 shares	\$ 1.00	N/A	N/A	N/A	ND	\$ 6,275,000	ND
N/A	Not applicable							
ND	Not determined							

See Independent Auditor's Report

ATTACHMENT TO SCHEDULE SB LINE 26 - SCHEDULE OF ACTIVE PARTICIPANT DATA
 EIN: 52-0271943
 PLAN NUMBER: 003

CHOPTANK ELECTRIC COOPERATIVE DEFINED BENEFIT PLAN

DISTRIBUTION OF ACTIVE MEMBERS BY AGE & SERVICE AS OF 11/01/2022

Attained Age	Years of Credited Service to Date										Total	
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0
70+	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0	0

Average Age: Years Average Service to Date: Years

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

Name of Plan: Choptank Electric Cooperative Defined Benefit Plan

EIN: 52-0271943

PN: 003

Plan Year: 1/1/2022 - 12/29/2022

Interest Rates

	<u>ARPA</u>	<u>Pre MAP-21</u>
First Segment (1 to 60 months):	4.75%	1.07%
Second Segment (61 to 240 months):	5.18%	2.68%
Third Segment (Beyond 240 months):	5.92%	3.36%
Effective Interest Rate:	5.58%	3.10%

Salary

Not Applicable

Withdrawal

Rates of withdrawal at selected ages for males (by years of service):

<u>Age</u>	<u><2yrs</u>	<u>2-5yrs</u>	<u>>5yrs</u>
20	9.0500%	8.5000%	4.5000%
25	8.0500%	6.5000%	4.1000%
30	7.3500%	5.9000%	3.4000%
35	6.8500%	5.6000%	2.9000%
40	6.7500%	5.1000%	2.5000%
45	6.7500%	5.0000%	2.2000%
50	6.7500%	5.0000%	2.1000%
55	0.0000%	0.0000%	0.0000%

Rates of withdrawal at selected ages for females (by years of service):

<u>Age</u>	<u><2yrs</u>	<u>2-5yrs</u>	<u>>5yrs</u>
20	12.0000%	9.5000%	5.7000%
25	10.7500%	8.4000%	5.4000%
30	9.5000%	7.4000%	4.9000%
35	7.5000%	6.7000%	4.1000%
40	6.0000%	6.2000%	3.4000%
45	6.0000%	5.2500%	3.0000%
50	6.0000%	5.0000%	2.5000%
55	0.0000%	0.0000%	0.0000%

Mortality

IRS 2022 Static Table

Incorporated into the table are rates projected using the methodology in regulation 1.430(h)(3)-1 and Scale MP-2020 to reflect mortality improvement.

Disability

Rates of disability at selected ages:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
20	0.0260%	35	0.0590%	50	0.2110%
25	0.0310%	40	0.0860%	55	0.3620%
30	0.0420%	45	0.1300%	60	0.5100%

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

Name of Plan: Choptank Electric Cooperative Defined Benefit Plan

EIN: 52-0271943

PN: 003

Plan Year: 1/1/2022 - 12/29/2022

Retirement

Rates of retirement for participants eligible to retire:

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
Less than 55	0.0000%	58	5.0000%	62	60.0000%
55	4.0000%	59	8.0000%	63	60.0000%
56	4.0000%	60	8.0000%	64	30.0000%
57	5.0000%	61	10.0000%	65+	30.0000%

Weighted average retirement age: 61

The weighted average retirement age is computed by first determining, for each possible retirement age, the probability that an eligible employee would retire at that age, given survival to the earliest possible retirement age. Then these probabilities at each age are multiplied (or weighted) by the age and summed. This sum, rounded to the nearest integral age, is the weighted average retirement age.

Preretirement Survivor Death Benefit

Liabilities computed on the assumption that 80% of participants will have spouses of the same age at the date of eligibility for the benefit.

Lump Sum Distributions

90% assumed to elect a lump sum distribution valued using the IRS 2022 Applicable Mortality Table.

Expenses

Plan-related expenses expected to be paid from plan assets during the plan year.

Actuarial Value of Assets

Market value as determined by the trustee, adjusted for discounted employer contributions receivable.

3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor Paula J. Bishop P.O. Box 430 Denton MD 21629	3b Administrator's EIN 52-0271943 3c Administrator's telephone number 410-479-8583
---	---

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
--	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	152
---	----------	-----

6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year	6a(1)	123
a(2) Total number of active participants at the end of the plan year	6a(2)	0
b Retired or separated participants receiving benefits	6b	0
c Other retired or separated participants entitled to future benefits	6c	0
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7	
---	----------	--

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 1I 3D 1A 1H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
---	--

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input checked="" type="checkbox"/> 01 A (Insurance Information) (4) <input type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)
---	--

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

Schedule H, line 4j – Schedule of Reportable Transactions

Plan Name: Choptank Electric Cooperative Defined Benefit Plan
Employer I.D. #: 52-0271943
Plan Number: 003

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
--------------------------------	---	--------------------	-------------------	------------------	---------------------------------------	-------------------	--	------------------------

Schedule of Reportable Transactions is contained in the attached audit report.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <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> <hr/> 2022 <hr/> This Form is Open to Public Inspection
---	--	--

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/29/2022

▶ **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 Choptank Electric Cooperative Defined Benefit Plan	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Choptank Electric Cooperative, Inc.	D Employer Identification Number (EIN) 52-0271943	
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 type="checkbox"/> 100 or fewer <input checked="" 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	27,757,413
b Actuarial value		2b	27,757,413
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	22	8,656,404	8,656,404
b For terminated vested participants	7	68,006	68,006
c For active participants	123	19,093,727	19,177,021
d Total	152	27,818,137	27,901,431
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	5.58%
6 Target normal cost			
a Present value of current plan year accruals		6a	0
b Expected plan-related expenses		6b	5,000
c Total (line 6a + line 6b)		6c	5,000

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 Laura V. Hess, FSA, EA, MAAA Type or print name of actuary Conrad Siegel Firm name P.O. Box 5900, 501 Corporate Circle Harrisburg PA 17110-0900 Address of the firm	 Date 2306907 Most recent enrollment number 717-652-5633 Telephone number (including area code)
------------------	---	--

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 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 4
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 5,000
b Excess assets, if applicable, but not greater than line 31a				31b 0
32 Amortization installments:	Outstanding Balance		Installment	
a Net shortfall amortization installment	144,018		13,309	
b Waiver amortization installment.....	0		0	
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 18,309
	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 18,309
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)				37 15,903,425
38 Present value of excess contributions for current year (see instructions)				
a Total (excess, if any, of line 37 over line 36)				38a 15,885,116
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				

Schedule SB, line 19 - Discounted Employer Contributions

Name of Plan: Choptank Electric Cooperative Defined Benefit Plan

EIN: 52-0271943

PN: 003

Plan Year: 1/1/2022 - 12/29/2022

Effective Interest Rate: 5.58%

Late Quarterly Interest Rate: 10.58%

Contribution Date	Applicable Plan Year	Contribution Amount	Interest Adjusted Contribution
8/6/2022	2022	10,300,000	9,972,808
10/14/2022	2022	6,188,388	5,930,617

Total

16,488,388

15,903,425

Schedule SB, line 22 - Description of Weighted Average Retirement Age

Name of Plan: Choptank Electric Cooperative Defined Benefit Plan

EIN: 52-0271943

PN: 003

Plan Year: 1/1/2022 - 12/29/2022

The description of weighted average retirement age is contained in the first page of the attached Schedule SB, Part V - Statement of Actuarial Assumptions/ Methods.

Schedule SB, Part V - Summary of Plan Provisions
Choptank Electric Cooperative Defined Benefit Plan
EIN: 52-0271943
Plan Number: 003

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

Choptank Electric Cooperative Defined Benefit Plan is a defined benefit pension plan that was established January 1, 2021, following its spin-off from the Retirement Security Plan sponsored by the National Rural Electric Cooperative Association. The plan year begins January 1 and ends December 31.

ELIGIBILITY TO PARTICIPATE

Participation under this Plan was frozen effective April 1, 2020, with respect to employees scheduled to participate on or after that date.

An employee became a participant in the Plan on the first day of the month following the date he completed 1 year of eligibility service.

Provided he is a member of the following eligible class of employees:

- Not an independent contractor.

NORMAL RETIREMENT BENEFIT

Normal Retirement Date

A participant is eligible for his normal retirement pension as of the first day of the month on or after the participant attains age 65. Participants hired before January 1, 2016 have a normal retirement date of age 62.

Normal Retirement Benefit

The normal retirement pension is payable monthly as long as the participant lives, with payments continuing after the participant's death during his spouse's lifetime equal to 50% of the amount payable to the participant.

Normal Retirement Pension Formula

Benefit accruals under this Plan were frozen effective April 1, 2020.

If the participant was hired on or after January 1, 2016, his monthly benefit as of his normal retirement age will equal 1/12 of 1.2% of average annual compensation multiplied by the years of benefit service credited.

If the participant was hired before January 1, 2016, his monthly benefit as of his normal retirement age will equal 1/12 of:

- 1.0% of average annual compensation multiplied by the years of benefit service credited through December 31, 1992; plus
- 1.2% of average annual compensation multiplied by the years of benefit service credited from January 1, 1993 through March 31, 1997; plus
- 1.5% of average annual compensation multiplied by the years of benefit service credited from April 1, 1997 through March 31, 2020.

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

If a participant formerly worked for another employer and was entitled to a different benefit formula due to such employment under the Retirement Security Plan sponsored by the National Rural Electric Cooperative Association, such participant will receive that benefit.

Average Annual Compensation

"Average annual compensation" means the participant's annual compensation averaged over the 5 years which produces the highest average.

For the purpose of determining average annual compensation, the Plan does not take into account:

- A year in which the employee does not work for the employer.
- A year for which a mandatory employee contribution was not made.
- Years after April 1, 2020

Compensation

For the purposes of the Plan, "compensation" means the employee's annual regular rate of earnings as of November 15 of the year immediately preceding the calendar year, but subject to the Code section 401(a)(17) dollar limitation.

Accrued Benefit

The accrued benefit on any date other than the normal retirement date is determined according to the normal retirement pension formula, but based upon the participant's compensation and benefit service to date.

Benefit accruals were frozen as of April 1, 2020.

Retirement Payment Options

A participant may elect to receive his monthly pension in one of these optional forms of payment:

- **Lifetime Pension**
- **Lifetime Pension with Guaranteed Period** with guaranteed payments for 120 months.
- **Lifetime Pension with Cash Refund**
- **Joint and Survivor Pension** with 100%, 75% or 50% survivor pension.
- **Joint & Survivor Pension with Cash Refund**
- **Cost of Living Adjustment Option**
- **Lump Sum Payment** – If the present value of the vested pension does not exceed \$5,000, this is the only payment option. This payment option is not available if the Plan does not meet certain Internal Revenue Code funding requirements.

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

- **Combined Lump Sum and Annuity Option** in increments of 10% and payable beginning on the same date.

If the present value of the vested pension does not exceed \$1,000, the Plan will automatically distribute the benefit in cash if there is no election.

If the participant is married at the time payments are to begin, the automatic form of payment will be a Joint and 50% Survivor Pension with the spouse named as survivor annuitant. If the participant is not married at the time payments are to begin, the automatic form of payment will be a Lifetime Pension.

Employment after Retirement. If a participant in pay status returns to employment, retirement benefits will not be suspended.

OTHER RETIREMENT BENEFITS

Late Retirement

If a participant continues working after his normal retirement date, his pension will not commence until he actually retires unless he elects a distribution after qualifying for normal retirement. The late retirement benefit is equal to the participant's frozen accrued benefit.

Distributions While Employed After Normal Retirement Age. After the participant qualifies for normal retirement, he may choose to begin receiving his pension payments from the Plan under any of the Retirement Payment Options.

Early Retirement

A participant hired after January 1, 2017 is eligible for early retirement after the earlier of attainment of age 55 or completion of 30 years of benefit service. A participant hired before January 1, 2017 is eligible for early retirement after attainment of age 55. The early retirement pension is the actuarial equivalent of the pension accrued to the date of early retirement.

Disability Benefit

The participants were credited with years of benefit and vesting service while disabled prior to April 1, 2020.

Death Benefit

Preretirement Death Benefit

If a participant qualifies for early or normal retirement, but dies before he begins to receive a retirement pension benefit; the Plan will pay the named beneficiary a preretirement death benefit equal to the present value of the participant's benefit accrued to date. Otherwise, if a participant dies before he begins to receive a retirement pension benefit, the Plan will pay the surviving spouse or a named beneficiary a preretirement death benefit based upon the 50% of the participant's benefit payable in normal form. Unmarried participants may designate a beneficiary to receive a preretirement death benefit based on the 10-Year Certain and Life Annuity benefit.

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

TERMINATION OF EMPLOYMENT BENEFITS

Vesting in Accrued Pension

If employment terminates other than by retirement or disability, the amount payable from the Plan is based upon the following vesting schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
0 Years	0%
1	10%
2	20%
3	30%
4	40%
5 or More Years	100%

Time of Payment

The participant may elect payment after his early retirement date, reduced to reflect the early commencement of benefits. If the present value of the participant's vested accrued benefit does not exceed \$1,000, the Plan will automatically distribute the amount in cash, if the participant does not elect a rollover to an IRA or another qualified plan.

After termination of employment, a participant may elect to receive his vested accrued pension as soon as administratively possible after the date of severance.

Forfeitures and Restoration

If a participant terminates employment before being vested, forfeiture occurs upon the earlier of the distribution of the vested accrued pension or the completion of one break in service in accordance with the vesting service rules.

The cashout restoration rule applies if a participant terminates employment and receives a full distribution of the vested portion of his accrued pension. However, before repayment, the Plan will not count service credited prior to the participant's termination when determining his new accrued benefit. If a participant terminates employment after he is 100% vested and receives a distribution of his accrued pension, he will be permitted to return his distribution to the Plan if he is reemployed during the restoration period.

EMPLOYEE CONTRIBUTIONS

Mandatory Employee Contributions

Effective for plan years beginning after April 1, 2020, mandatory employee contributions are no longer required under the Plan. A participant's benefit can never be less than his accumulated employee contributions.

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

SERVICE RULES

Eligibility Service Rules

An employee is credited with a year of eligibility service when he completes at least 1,000 hours of service in the 12-month period.

Vesting Service Rules

Vesting service is determined using the elapsed time method. A participant is credited with a year of vesting service for any calendar year in which he is credited with one or more hours of service. For the purpose of determining years of vesting service, the Plan excludes the following service:

- Years of service during which the participant did not make the mandatory employee contribution.

Benefit Service Rules

A participant is credited with a year of benefit service for each benefit period he completes at least 2,080 hours of service. If he completes fewer than 2,080 hours of service during a benefit period, he will receive a fractional credit for the benefit period equal to the ratio of the hours credited to 2,080 hours.

The benefit period is the 12-month period coinciding with the plan year.

For the purpose of determining years of benefit service, the Plan excludes the following service:

- Hours of service when the employee is not a member of the eligible class of employees.
- Years of service during which the employee does not make the mandatory employee contribution.
- Hours of service after April 1, 2020.

Service with Prior Employers/Plans

The Plan takes into account service credited under the following plan:

Employer	Purpose	Effective Date
Retirement Security Plan sponsored by the National Rural Electric Cooperative Association	eligibility/vesting/benefit	January 1, 2021

Actuarial Equivalence

Actuarial equivalence is determined as set forth below. If no factor is otherwise stated, actuarial equivalence shall be determined based on the following mortality and interest assumptions:

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

Mortality table: Code section 417 mortality table as it was prescribed by the Secretary of the Treasury under Revenue Ruling 2001-62

Interest rate: 6.5%

Early Retirement – Actuarial equivalence will be determined using the early retirement factors. The accrued benefit shall be reduced by $\frac{1}{15}$ for each of the first 5 years and $\frac{1}{30}$ for each of the next 5 years by which the early retirement date precedes the normal retirement date.

Monthly Pension – Actuarial equivalence will be determined by multiplying the amount of the normal form monthly pension by the factors described herein. With respect to an unmarried participant, actuarially equivalent optional forms of payment shall be determined based on an assumed spouse of the same age as the participant.

Pension Option	Conversion Factor
Joint & 75% Spouse	0.93
Joint & 50% Spouse Cash Refund	0.97
Joint & 75% Spouse Cash Refund	0.91
Lifetime Pension	1.19
Lifetime 10-year Certain	1.08
Lifetime Pension Cash Refund	1.04

If the survivor annuitant is not the participant's spouse, the following factors shall be applied to determine the monthly payment under a joint and survivor pension:

Number of Completed Whole Years the Survivor Annuitant is Older or Younger than the Participant	75% Survivor Benefit	50% Survivor Benefit
20 or more years older	1.15	1.17
15-19 years older	1.13	1.14
10-14 years older	1.10	1.13
5-9 years older	1.05	1.10
Less than 5 years difference	0.99	1.05
5-9 years younger	0.93	1.00
10-14 years younger	0.90	0.98
15-19 years younger	0.86	0.94
20 or more years younger	0.84	0.93

If the survivor annuitant is not the participant's spouse, the following factors shall be applied to determine the monthly payment under a joint and survivor pension with cash refund:

Choptank Electric Cooperative Defined Benefit Plan
Actuarial Valuation as of January 1, 2022
Summary of Plan Provisions

Number of Completed Whole Years the Survivor Annuitant is Older or Younger than the Participant	75% Survivor Benefit	50% Survivor Benefit
20 or more years older	1.04	1.04
15-19 years older	1.03	1.04
10-14 years older	1.03	1.04
5-9 years older	1.00	1.03
Less than 5 years difference	0.96	1.00
5-9 years younger	0.91	0.97
10-14 years younger	0.88	0.96
15-19 years younger	0.85	0.93
20 or more years younger	0.83	0.92

The normal form of retirement benefit shall be multiplied by the factors in the tables in Appendix A if a cost-of-living adjustment is elected.

If the surviving spouse elects to receive the preretirement survivor pension in the form of a cash refund option, the preretirement survivor pension shall be multiplied by the conversion factor of 0.87.

Lump Sum – Actuarial equivalence for benefits accruing on or after January 1, 2000 will be determined based on the following mortality table and interest rate assumptions:

Mortality table: The Code section 417 mortality table

Interest rate: The Code section 417 interest rates

Code Section 417 Mortality Table

The Code section 417 mortality table is the Applicable Mortality Table released annually by the Internal Revenue Service.

Code Section 417 Interest Rates

The Code section 417 interest rates are the Transitional Segment Rates for the second month preceding the first day of the plan year that contains the annuity starting date.

CHANGES IN PRINCIPAL PLAN BENEFIT PROVISIONS SINCE THE LAST VALUATION

The Plan was amended January 20, 2022 to terminate April 1, 2022.

SIGNIFICANT EVENTS THAT OCCURRED DURING THE YEAR

The Plan was amended January 20, 2022 to terminate April 1, 2022.

Schedule SB, line 32 - Schedule of Amortization Bases

Name of Plan: Choptank Electric Cooperative Defined Benefit Plan

EIN: 52-0271943

PN: 003

Plan Year: 1/1/2022 - 12/29/2022

Type of Base (shortfall or Waiver)	Initial Date	Amortization Base	Amortization Installment	Present Value of Remaining Amortization Installment	Remaining Amortization Years
shortfall	1/1/2022	144,018	13,309	144,018	15

\$	144,018	\$	13,309	\$	144,018
----	---------	----	--------	----	---------
