

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2023 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan NI HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b	Three-digit plan number (PN) ▶ 001
1c	Effective date of plan 02/27/2017
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) NI HOLDINGS, INC. 1101 1ST AVE N FARGO, ND 58102
2b	Employer Identification Number (EIN) 81-2683619
2c	Plan Sponsor's telephone number 701-298-4275
2d	Business code (see instructions) 524210

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2024	TARA BALTES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2024	TARA BALTES
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 169
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 a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 151 6a(2) 156 6b 0 6c 26 6d 182 6e 1 6f 183 6g(1) 128 6g(2) 138 6h 2
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:

2I 2P 3I

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached 0
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached _____
- (4) ☒ **C** (Service Provider Information)
- (5) ☐ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 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 C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan NI HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NI HOLDINGS, INC.	D Employer Identification Number (EIN) 81-2683619

Part I

Service Provider Information (see instructions)

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

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

No

Yes

☒
- b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)

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

(b)

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

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

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

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

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

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

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

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

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	MAZARS USA LLP	b EIN:	15-1459550
c Position:	ACCOUNTANT		
d Address:	501 OFFICE CENTER DR SUITE 300 FORT WASHINGTON, PA 19034	e Telephone:	215-259-1000

Explanation: THE MAZARS FIRM CEASED OPERATIONS AS A RESULT OF A TRANSACTION WITH FORVIS MAZARS, LLP ON JUNE 1, 2024.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE 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
		2023
		This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan NI HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 NI HOLDINGS, INC.		
D Employer Identification Number (EIN) 81-2683619		

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(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)	3051953	2971097
(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	3051953	2971097
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	1008350	758055
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1008350	758055
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	2043603	2213042

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)	276694	
(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)		276694
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)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(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)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-64043	
(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)		724
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		213375

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	17487	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		17487
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		26399
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)	50	
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		50
j Total expenses. Add all expense amounts in column (b) and enter total	2j		43936

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		169439
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: **FORVIS MAZARS, LLP**

(2) EIN: **44-0160260**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG 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. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
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.)		☒	
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.)		☒	
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.)		☒	
e Was this plan covered by a fidelity bond?	☒		2000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
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?		☒	
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?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
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.)	☒		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	☒		
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.	☒		

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

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

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

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan NI HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 NI HOLDINGS, INC.		D Employer Identification Number (EIN) 81-2683619

Part I

Distributions

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

1

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

1

0

2

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

EIN(s): 42-0127290

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3

Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year

3

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

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

Schedule R (Form 5500) 2023 v. 230707

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)	14a	
b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	
16 Information with respect to any employers who withdrew from the plan during the preceding plan year:		
a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐		

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

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐	
19 If the total number of participants is 1,000 or more, complete lines (a) and (b):	
a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%	
b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
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. _____	

Part VII	IRS Compliance Questions
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21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No	
21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).	
☐ Design-based safe harbor method	
☐ "Prior year" ADP test	
☐ "Current year" ADP test	
☐ N/A	
22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ____/____/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.	

Forvis Mazars Report to the Audit Committee

NI Holdings, Inc. Employee Stock Ownership Plan

Results of the 2023 Financial Statement Audit, Including Required Communications

December 31, 2023

Required Communications Regarding Our Audit Strategy & Approach (AU-C 260)

Overview & Responsibilities

Matter	Discussion
Scope of Our Audit	This report covers audit results related to your financial statements: • As of and for the year ended December 31, 2023 • Conducted in accordance with our contract dated June 3, 2024
Our Responsibilities	Forvis Mazars is responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with the oversight of those charged with governance, are prepared in accordance with GAAP.
Audit Scope & Inherent Limitations to Reasonable Assurance	An audit performed in accordance with auditing standards generally accepted in the United States of America (GAAS) is designed to obtain reasonable, rather than absolute, assurance about the financial statements. The scope of our audit tests was established in relation to the financial statements taken as a whole and did not include a detailed audit of all transactions.
Extent of Our Communication	In addition to areas of interest and noting prior communications made during other phases of the engagement, this report includes communications required in accordance with GAAS that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process, including audit approach, results, and internal control. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.
Independence	The engagement team, others in our firm, as appropriate, and our firm, have complied with all relevant ethical requirements regarding independence.
Your Responsibilities	Our audit does not relieve management or those charged with governance of your responsibilities. Your responsibilities and ours are further referenced in our contract.
Distribution Restriction	This communication is intended solely for the information and use of the following and is not intended to be, and should not be, used by anyone other than these specified parties:

Matter	Discussion
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- The Audit Committee
- Others within the Plan

Other Documents Containing Audited Financial Statements

The Plan's audited financial statements are included in the Form 5500, *Annual Return/Report of Employee Benefit Plan*, filed with the Department of Labor Employee Benefits Security Administration. As part of our procedures, we read the draft Form 5500 that is substantially complete to determine if financial information discussed in sections outside the financial statements materially contradicts the audited financial statements. If we identify any such matters, we bring them to management's attention and review subsequent revisions.

Our responsibility also includes communicating to you any information we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

Qualitative Aspects of Significant Accounting Policies & Practices

Significant Accounting Policies

Significant accounting policies are described in Note 2 of the audited financial statements.

With respect to new accounting standards adopted during the year, we call to your attention the following topics detailed in the following pages:

- No matters are reportable

Unusual Policies or Methods

With respect to significant unusual accounting policies or accounting methods used for significant unusual transactions (significant transactions outside the normal course of business or that otherwise appear to be unusual due to their timing, size, or nature), we noted the following:

- No matters are reportable

Alternative Accounting Treatments

We had discussions with management regarding alternative accounting treatments within GAAP for policies and practices for material items, including recognition, measurement, and disclosure considerations related to the accounting for specific transactions as well as general accounting policies, as follows:

- No matters are reportable

Management Judgments & Accounting Estimates

Accounting estimates are an integral part of financial statement preparation by management, based on its judgments. Significant areas of such estimates for which we are prepared to discuss management's estimation process and our procedures for testing the reasonableness of those estimates include:

- Fair value of the Plan's stock

Financial Statement Disclosures

The following areas involve particularly sensitive financial statement disclosures for which we are prepared to discuss the issues involved and related judgments made in formulating those disclosures:

- Determination of fair values
- Parties-in-interest transactions

Our Judgment About the Quality of the Plan's Accounting Principles

During the course of the audit, we made the following observations regarding the Plan's application of accounting principles:

- No matters are reportable

Adjustments Identified by Audit

During the course of any audit, an auditor may propose adjustments to financial statement amounts. Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.

A misstatement is a difference between the amount, classification, presentation, or disclosure of a reported financial statement item and that which is required for the item to be presented fairly in accordance with the applicable financial reporting framework.

Proposed & Recorded Adjustments

Auditor-proposed and management-recorded entries include the following:

- No matters are reportable

Uncorrected Misstatements

Some adjustments proposed were not recorded because their effect is not currently considered material. We request that all identified misstatements be corrected.

Uncorrected misstatements that were determined by management to be immaterial, both individually and in the aggregate, but more than trivial to the financial statements as a whole are [listed below OR included as an attachment to this communication].

While these uncorrected misstatements were deemed to be immaterial to the current-period financial statements, it is possible that the impact of these uncorrected misstatements, or matters underlying these uncorrected misstatements, could potentially cause future-period financial statements to be materially misstated.

Current-Period Uncorrected Misstatements

- No current-period uncorrected misstatements

Prior-Period Uncorrected Misstatements

- No prior-period uncorrected misstatements

Other Required Communications

Disagreements with Management

The following matters involved disagreements which if not satisfactorily resolved would have caused a modified auditor's opinion on the financial statements:

- No matters reportable

Consultation with Individuals Outside of the Engagement Team

During our audit, we encountered the following matters, for which we consulted the views of individuals outside of the engagement team:

- No matters reportable

Consultation with Other Accountants

During our audit, we became aware that management had consulted with other accountants about the following auditing or accounting matters:

- No matters reportable

Significant Issues Discussed with Management

Prior to Retention

During our discussion with management prior to our engagement, the following issues regarding application of accounting principles or auditing standards were discussed:

- No matters reportable

During the Audit Process

During the audit process, the following issues were discussed or were the subject of correspondence with management:

- No matters reportable

Difficulties Encountered in Performing the Audit

Our audit requires cooperative effort between management and the audit team. During our audit, we found significant difficulties in working effectively on the following matters:

- No matters reportable

Significant Related-Party Findings

We would like to communicate the following significant findings or issues that arose during our audit, related to the Plan's related-party activity:

- No matters reportable

Other Material Communications

Listed below are other material communications between management and us related to the audit:

- Management representation letter (see Attachment)

Attachments

Audited Financial Statements

The audited financial statements are included herein for your reference.



Management Representation Letter

As a material communication with management, included herein is a copy of the representation letter provided by management at the conclusion of our engagement.

Attachment A
Audited Financial Statements



NI Holdings, Inc. Employee Stock Ownership Plan

EIN 81-2683619 PN 001

**Independent Auditor's Report, Audited Financial
Statements, Supplemental Schedule**

December 31, 2023 and 2022



NI Holdings, Inc. Employee Stock Ownership Plan
Table of Contents

	<u>Page(s)</u>
Independent Auditor's Report	1-3
Statements of Net Assets Available for Benefits	4
Statements of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6-11
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	12

Independent Auditor's Report

Audit Committee and Plan Participants
NI Holdings, Inc. Employee Stock Ownership Plan
Fort Washington, Pennsylvania

Opinion on the 2023 Financial Statements

We have audited the financial statements of the NI Holdings, Inc. Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the *Employee Retirement Income Security Act of 1974* (ERISA), which comprise the statement of net assets available for benefits as of December 31, 2023, the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2023, and the changes in its net assets available for benefits for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion on the 2023 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the 2023 Financial Statements" section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 2023 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements 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 2023 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting in error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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.

2023 Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2023, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosing under ERISA.

Auditor's Report on the 2022 Financial Statements

The 2022 financial statements of the Plan were audited by predecessor auditors whose report dated October 5, 2023, expressed an unmodified opinion on those financial statements.

Forvis Mazars, LLP

**Fort Washington, Pennsylvania
October 10, 2024**

Federal Employer Identification Number: 44-0160260

NI Holdings, Inc. Employee Stock Ownership Plan
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	2023	2022
Investments at fair value:		
NI Holdings, Inc. common stock not allocated	\$ 906,660	\$ 1,248,860
NI Holdings, Inc. common stock allocated	2,064,437	1,803,093
Total investments	2,971,097	3,051,953
Receivables:		
Accrued contributions	5,287	7,033
Total receivables	5,287	7,033
Total assets	2,976,384	3,058,986
Liabilities:		
Loan payable to Nodak Insurance Company	758,055	1,008,350
Accrued interest expense	5,287	7,033
Total liabilities	763,342	1,015,383
Net assets available for benefits	\$ 2,213,042	\$ 2,043,603

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

NI Holdings, Inc. Employee Stock Ownership Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2023 and 2022

	2023	2022
Employer contributions:		
Contributions	\$ 276,694	\$ 276,694
Accrued contributions	(1,746)	(1,698)
Total employer contributions	274,948	274,996
Investment loss:		
Net depreciation in fair value of investments	(63,319)	(1,312,937)
Total investment loss	(63,319)	(1,312,937)
Net additions	211,629	(1,037,941)
Deductions:		
Paid interest expense	26,399	33,239
Accrued interest expense	(1,746)	(1,698)
Distributions to participants	17,487	69,240
Administrative expense	50	343
Total deductions	42,190	101,124
Net increase (decrease) in net assets available for benefits	169,439	(1,139,065)
Net assets available for benefits:		
Beginning of year	2,043,603	3,182,668
End of year	\$ 2,213,042	\$ 2,043,603

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

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

1. Basis of Financial Statement Presentation

The NI Holdings, Inc. Employee Stock Ownership Plan (the “ESOP” or the “Plan”), established 2017, is a defined contribution plan and is sponsored by NI Holdings, Inc. (“NI Holdings”, the “Company”, or the “Employer”).

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in those net assets.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits during the reporting period. Actual results could differ significantly from those estimates.

2. Summary of Significant Accounting Policies

Investments:

The ESOP only holds investments in the Company’s common stock, which is traded on NASDAQ under the ticker symbol “NODK”. NI Holdings, Inc. common stock is recorded at quoted market values.

Investment Valuation and Income Recognition:

The shares of Company common stock are reported at fair value. See Note 4 for a discussion of the fair value measurements. Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation or depreciation includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Distributions to Participants:

Distributions to participants are recorded when paid. Distributions of a participant’s account shall be made in whole shares of Company stock and cash. Participants may elect to have their entire account balance distributed in cash. The value of Company shares distributed in cash shall be equal to the fair market value multiplied by the number of shares credited to the participant’s account, using the closing market price coinciding with or immediately preceding the date of the distribution.

Diversification Election:

A participant who has attained age 55 and completed at least ten years of participation in the ESOP may elect to transfer up to twenty-five percent of the participant’s interest in the ESOP to the applicable NI Holdings, Inc. or Affiliate 401(k) Plan, which permits participants to make investment elections outside of the Company’s common stock.

3. Description of Plan

The following summary of the Plan provides general information only. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

General:

The Company has established an Employee Stock Ownership Plan. The ESOP is intended to be an employee stock ownership plan within the meaning of Internal Revenue Code Section 4975(e)(7) and will invest solely in common stock of the Company.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

In connection with the Company's initial public offering on March 13, 2017, Nodak Insurance Company ("Nodak Insurance") loaned \$2.4 million (the "ESOP loan") to the ESOP's related trust (the "ESOP Trust"). The ESOP loan will be for a period of ten years and bears interest at the long-term Applicable Federal Rate effective on the closing date of the offering (2.79% annually). The ESOP Trust used the proceeds of the loan to purchase 240,000 shares of NI Holdings common stock in the initial public offering, which results in the ESOP Trust owning approximately 1.0% of the Company's authorized shares. The ESOP has purchased the shares for investment and not for resale.

The shares purchased by the ESOP Trust in the offering are held in a suspense account as collateral for the ESOP loan. The shares held in the ESOP's suspense account are not considered outstanding for earnings per share purposes. Nodak Insurance will make semi-annual cash contributions to the ESOP in amounts no smaller than the amounts required for the ESOP Trust to make its loan payments to Nodak Insurance. While the ESOP makes two loan payments per year, a pre-determined portion of the shares will be released from the suspense account and allocated to participant accounts at the end of the calendar year. This release and allocation will occur on an annual basis over the ten-year term of the ESOP loan. Nodak Insurance will have a lien on the shares of common stock of the Company held by the ESOP to secure repayment of the loan from the ESOP to Nodak Insurance. If the ESOP is terminated as a result of a change in control of the Company, the ESOP may be required to pay the costs of terminating the plan.

It is anticipated that the only assets held by the ESOP will be shares of the Company's common stock. Participants in the ESOP cannot direct the investment of any assets allocated to their accounts. The ESOP participants are employees of Nodak Insurance. The employees of Tri-State, Ltd., a wholly owned direct subsidiary of Nodak Insurance, do not participate in the ESOP. Employees of Direct Auto Insurance Company and Westminster American Insurance Company, wholly owned subsidiaries of NI Holdings, Inc., also do not participate in the ESOP.

Each employee of Nodak Insurance will automatically become a participant in the ESOP if such employee is at least 21 years old, has completed a minimum of one thousand hours of service with Nodak Insurance, and has completed an Eligibility Computation Period. Employees are not permitted to make any contributions to the ESOP. Participants in the ESOP will receive annual reports from the Company showing the number of shares of common stock of the Company allocated to the participant's account and the market value of those shares. The shares are allocated to participants based on compensation as provided for in the Plan.

The basis of the common shares was set at \$10.00 per share as part of the initial public offering. As shares are sold from the ESOP, an investment gain or loss is realized on the difference between the market value and the cost.

The ESOP recognized a total capital loss on investment of \$63,318 for the year ended December 31, 2023, consisting of a realized capital gain on investment of \$724 and an unrealized capital loss on investment of \$64,042. The Company recognized a total capital loss on investment of \$1,312,937 for the year ended December 31, 2022, consisting of a realized capital loss on investment of \$15,800 and an unrealized capital loss on investment of \$1,297,137.

During 2023, 24,315 ESOP shares previously unallocated during 2022 were allocated to participants. At the end of 2023, 69,796 unearned ESOP shares in suspense at December 31, 2023. Of those shares previously allocated to participants, 1,267 ESOP shares and 4,515 ESOP shares were sold or forfeited during the years ended December 31, 2023, and 2022, respectively.

Using the Company's year-end market price of \$12.99 at December 31, 2023, the fair value of the remaining allocated ESOP shares was \$2,064,437 and the fair value of the unearned ESOP shares was \$906,660 for a total fair value of \$2,971,097.

Administrative Expenses:

Substantially all expenses of maintaining the Plan are paid by the Company.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

Contributions:

All contributions to the ESOP are made by the Company. Participants cannot make additional contributions nor direct the investment of any assets allocated to their accounts. There are no provisions which allow for loans to participants.

Allocations:

The Plan intends to allocate shares to participants annually at the end of each year. At December 31, 2023, 24,315 ESOP shares were approved for allocation and distributed to participant accounts in early 2024.

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to: (a) the accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Vesting:

Each participant shall have a vested interest in their participant account, if any, in accordance with the following vesting schedule:

Years of Service	Vested Percentage
0-1 years of service	0%
1 year of service	20%
2 years of service	40%
3 years of service	60%
4 years of service	80%
5 or more years of service	100%

A participant whose employment terminates on or after their normal retirement date shall be 100% vested. A participant whose employment terminates on account of death or disability shall be 100% vested.

Forfeitures:

If, prior to being 100% vested, a participant terminates employment for a reason other than death, disability, or attainment of normal retirement date, then the non-vested portion of the participant's account will be forfeited. Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year.

Dividends:

At the Company's discretion, any cash dividends on allocated shares may (i) be used to pay the principal and/or interest of the ESOP loan, (ii) be paid to participants as cash, (iii) be paid directly to participant accounts, or (iv) be distributed or reinvested in Company stock pursuant to a participant or beneficiary election.

Any cash dividends on unallocated shares shall be applied first to repay the principal and interest on the ESOP loan. After the payment of the principal and interest on the ESOP loan, any remaining cash dividends on Company stock may be used, at the Company's discretion, to purchase Company stock or to be allocated to participants' accounts.

The Company has not declared or paid any dividends on its common stock since the inception of the Plan.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

Distributions:

In the event of a participant's termination from employment for any reason, a participant shall be entitled to a distribution of all amounts that are credited to the participant's account. Upon the death of a participant, all amounts credited to the participant's account shall be distributed to the participant's beneficiary. Distributions shall be made as soon as administratively feasible.

Participant Accounts:

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account and forfeitures of terminated participant's non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

Voting Rights:

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the trustee prior to the time that such rights are to be exercised. The trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The trustee is required, however, to vote any unallocated shares on behalf of the collective best interests of Plan participants and beneficiaries.

4. Fair Value Accounting

The Financial Accounting Standards Board (the "FASB") issued guidance that establishes 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 I) and the lowest priority to unobservable inputs (Level III). The three levels of the fair value hierarchy are described below:

Level I – Quoted price (unadjusted) in active markets for identical assets and liabilities.

Level II – Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. Level II inputs include quoted prices for similar assets or liabilities other than quoted in prices in Level I, quoted prices in markets that are not active, or other inputs that are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level III – Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Unobservable inputs reflect the reporting entity's own assumptions that market participants would use in pricing the asset or liability. Level III assets and liabilities include financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2023, and 2022:

	December 31, 2023			
	Total	Level I	Level II	Level III
Equity securities:				
NI Holdings, Inc. common stock	\$ 2,971,097	\$ 2,971,097	\$ -	\$ -
Total equity securities	<u>2,971,097</u>	<u>2,971,097</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>2,971,097</u>	\$ <u>2,971,097</u>	\$ <u>-</u>	\$ <u>-</u>

	December 31, 2022			
	Total	Level I	Level II	Level III
Equity securities:				
NI Holdings, Inc. common stock	\$ 3,051,953	\$ 3,051,953	\$ -	\$ -
Total equity securities	<u>3,051,953</u>	<u>3,051,953</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>3,051,953</u>	\$ <u>3,051,953</u>	\$ <u>-</u>	\$ <u>-</u>

5. Investments

The Plan's investments, at December 31, 2023, are presented in the following table:

	Allocated	Unallocated	Total
NI Holdings Inc. common stock:			
Number of shares	158,926	69,796	228,722
Cost	\$ 1,589,260	\$ 697,960	\$ 2,287,220
Estimated fair value	\$ 2,064,437	\$ 906,660	\$ 2,971,097

The Plan's investments, at December 31, 2022, are presented in the following table:

	Allocated	Unallocated	Total
NI Holdings Inc. common stock:			
Number of shares	135,879	94,110	229,989
Cost	\$ 1,358,790	\$ 941,100	\$ 2,299,890
Estimated fair value	\$ 1,803,093	\$ 1,248,860	\$ 3,051,953

6. Risks and Uncertainties

The Plan invests solely in common stock of the Company. The Plan has a concentration of investment in NI Holdings common stock. A change in the value of NI Holdings common stock could cause the value of the Plan's net assets available for benefits to change due to this concentration.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

7. Related Party Transactions

The Plan received a loan from Nodak Insurance to purchase shares from the Company's initial public offering. Nodak Insurance makes semi-annual contributions to the Plan, and the Plan makes semi-annual loan repayments at the same time and for the same amounts.

The Plan has significant investments in the Company's common stock, which qualify as party-in-interest transactions. These transactions are exempt from prohibited transaction regulations.

8. Commitments and Obligations

The Plan received a loan from Nodak Insurance to purchase shares from the Company's initial public offering. The ESOP loan is for a period of ten years and bears interest at the long-term Applicable Federal Rate effective on the closing date of the offering (2.79% annually).

As of December 31, 2023, the Plan has the following future loan repayments required under the ESOP loan:

Year	2024	2025	2026	Total
Amount	\$257,327	\$264,556	\$236,172	\$758,055

9. Income Taxes

The Plan obtained a determination letter dated April 16, 2018, from the Internal Revenue Service, which stated that the Plan qualifies under the applicable provisions of the Internal Revenue Code and, therefore, is exempt from federal income taxes.

Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

The FASB issued guidance on accounting for uncertainty in income taxes. Management evaluated the Plan's tax positions and concluded that the Plan has maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

10. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it may do so at any time. In the event of Plan termination, participants would become 100% vested in their accounts.

11. Subsequent Events

Management has evaluated subsequent events through October 10, 2024, the date on which the financial statements were available to be issued.

NI Holdings, Inc. Employee Stock Ownership Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
EIN: 81-2683619
Plan #001
December 31, 2023

Identity of Party Involved (a)	Identity of Issue, Borrower, Lessor of Similar Party (b)	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value (c)	Cost (d)	Current Value (e)
(1)	NI Holdings, Inc.	228,722 shares of common stock, \$0.01 par value	\$ 2,287,220	\$ 2,971,097
(1) Party-in-interest to the Plan				

Attachment B

Management Representation Letter

Representation of:
NI Holdings, Inc.
1101 First Avenue North
Fargo, ND 58102

Provided to:
Forvis Mazars, LLP
Certified Public Accountants
501 Office Center Drive, Suite 300
Fort Washington, PA 19034

The undersigned ("We") are providing this letter in connection with Forvis Mazars' audit of the financial statements of the NI Holdings, Inc. Employee Stock Option Plan (the Plan) as of and for the year ended December 31, 2023, and supplemental schedule for the year ended December 31, 2023.

Our representations are current and effective as of the date of Forvis Mazars' report: October 10, 2024.

Our engagement with Forvis Mazars is based on our contract for services dated: June 3, 2024.

Our Responsibility & Consideration of Material Matters

We confirm that we are responsible for the fair presentation of the financial statements subject to Forvis Mazars' report in conformity with accounting principles generally accepted in the United States of America and for the fair presentation of the accompanying supplemental schedule in conformity with the Department of Labor's (DOL) Rules and Regulations under the *Employee Retirement Income Security Act of 1974* (ERISA).

We are also responsible for adopting sound accounting policies; establishing and maintaining effective internal control over financial reporting, operations, and compliance; and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

Confirmation of Matters Specific to the Subject Matter of Forvis Mazars' Report

We confirm, to the best of our knowledge and belief, the following:

Broad Matters

1. We have fulfilled our responsibilities, as set out in the terms of our contract, for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.
2. We acknowledge our responsibility for the design, implementation, and maintenance of:
 - a. Internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

- b. Internal control to prevent and detect fraud.
3. We have provided you with:
- a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b. The most current Plan instrument for the audit period, including all Plan amendments.
 - c. A draft of the Form 5500 that is substantially complete.
 - d. Additional information that you have requested from us for the purpose of the audit.
 - e. Unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence.
 - f. All minutes of the Employee Retirement Funds Advisory Committee meetings held through the date of this letter or summaries of actions of recent meetings for which minutes have not yet been prepared. All unsigned copies of minutes provided to you are copies of our original minutes approved by the Employee Retirement Funds Advisory Committee, if applicable, and maintained as part of our records.
 - g. All significant contracts.
4. We acknowledge the Plan does not meet the definition of a “public entity” under generally accepted accounting principles.
5. We have responded fully and truthfully to all your inquiries.

Plan Design & Operations

6. We acknowledge our responsibility for administering the Plan and determining that the Plan's transactions that are presented and disclosed in the ERISA plan 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.
7. The Plan and the trust established under the Plan are qualified under the appropriate section of the Internal Revenue Code, and we intend to continue them as a qualified Plan and trust. We do not have any intention at present to terminate the Plan. Required nondiscrimination testing under the appropriate Code Sections has been completed for the Plan, and any excess contributions have been disposed of in accordance with regulations.
8. The Plan instrument has not been amended during the year.
9. The Plan obtained its latest determination letter on April 16, 2018, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter. However, we believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, we believe that the Plan was qualified, and the related trust was tax-exempt as of the financial statement date.
10. The Plan has complied with the fidelity bonding requirements of ERISA.

11. The Plan has made no investments during the year that violate the terms of the Plan or Trust Agreement.
12. We have reviewed the reports of all transactions processed by third-party servicers, and, based on our review, we believe the transactions shown in the reports are valid and in accordance with our instructions to the third-party processor. We also have had no communications from any of the Plan's service organizations regarding any fraud, noncompliance with laws and regulations, or uncorrected misstatements.
13. As applicable, we have complied with the DOL's regulations concerning the services provider fee disclosures in accordance with Section 408(b)(2).
14. We understand the values of the assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments to investment values that could negatively impact the Plan. We acknowledge that you have no responsibility for future changes caused by the current economic environment and the resulting impact on the Plan's financial statements. Further, the Plan Sponsor is solely responsible for all aspects of managing the Plan, including questioning the quality and valuation of investments.
15. We represent the loan payable to Nodak Insurance Company of \$758,055, as provided on the December 31, 2023, financial statements of the Plan, is accurate.
16. We have evaluated whether there are conditions or events known or reasonably knowable, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year of the date of this letter without consideration of potential mitigating effects of management's plans not yet fully implemented and concluded substantial doubt [does not exist.

Misappropriation, Misstatements, & Fraud

17. We have informed you of all current risks of a material amount that are not adequately prevented or detected by our procedures with respect to:
 - a. Misappropriation of assets.
 - b. Misrepresented or misstated assets or liabilities.
18. We have no knowledge of fraud or suspected fraud affecting the Plan involving:
 - a. Management or employees who have significant roles in internal control over financial reporting, or
 - b. Others when the fraud could have a material effect on the financial statements.
19. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from participants, former participants, regulators, third-party servicers, or others.
20. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and disclosed to you any such risk identified.

Related Parties & Parties-in-Interest

21. We have disclosed to you the identity of all of the Plan's related parties and parties-in-interest and all the related-party and party-in-interest relationships of which we are aware.

In addition, we have disclosed to you all related-party transactions and amounts receivable from or payable to related parties of which we are aware, including any modifications during the year that were made to related-party transaction agreements which existed prior to the beginning of the year under audit, as well as new related-party transaction agreements that were executed during the year under audit.

Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with accounting principles generally accepted in the United States of America.

22. We understand that the term related party refers to:

- Affiliates.
- Entities for which investments are accounted for by the equity method.
- Trusts for the benefits of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management.
- Principal owners and members of their immediate families.
- Management and members of their immediate families.
- Any other party with which the Plan may deal if one party can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests.

Another party is also a related party if it can significantly influence the management or operating policies of the transacting parties or if it has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The term affiliate refers to a party that directly or indirectly controls, or is controlled by, or is under common control with, the Plan.

Litigation, Laws, Rulings, & Regulations

23. Neither the Plan nor the Plan Sponsor are aware of any pending or threatened litigation or claims whose effects should be considered when preparing the financial statements. Neither the Plan nor the Plan Sponsor have sought or received attorney's services related to pending or threatened litigation or claims during or subsequent to the audit period. Also, we are not aware of any litigation or claims, pending or threatened, for which legal counsel should be sought.
24. We have no knowledge of communications, other than those specifically disclosed, from regulatory agencies, governmental representatives, employees, or others concerning investigations or allegations of noncompliance with laws and regulations, deficiencies in financial reporting practices, or other matters that could have a material adverse effect on the financial statements.
25. We have disclosed to you all known instances of violations or noncompliance or possible violations or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements or as a basis for recording a loss contingency.
26. We have apprised you of all communications, written or oral, with regulatory agencies concerning the operation of the Plan.

Financial Statements & Reports

27. With regard to supplementary information:

- a. We acknowledge our responsibility for the presentation of the supplementary information, including its form and content in conformity with relevant regulatory requirements or other applicable criteria.
- b. The methods of measurement and presentation of the supplementary information are unchanged from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- c. We believe the significant assumptions or interpretations underlying the measurement and/or presentation of the supplementary information are reasonable and appropriate.

Transactions, Records, & Adjustments

28. All transactions have been recorded in the accounting records and are reflected in the financial statements.

29. We have everything we need to keep our books and records.

30. We have disclosed any significant unusual transactions the Plan has entered into during the period, including the nature, terms, and business purpose of those transactions.

31. There are no uncorrected misstatements or omitted disclosures.

Accounting & Disclosure

32. We are not aware of any side agreements or other arrangements (either written or oral) that are in place.

33. Except as reflected in the financial statements, there are no:

- a. Plans or intentions that may materially affect carrying values of assets, liabilities, or net assets.
- b. Material transactions omitted or improperly recorded in the financial records.
- c. Material unasserted claims or assessments that are probable of assertion or other gain/loss contingencies requiring accrual or disclosure in accordance with Accounting Standards Codification (ASC) Topic 450, *Contingencies*, including those arising from environmental remediation obligations.
- d. Events occurring subsequent to the date of the statement of net assets available for benefits through the date of this letter, which is the date the financial statements were available to be issued, requiring adjustment or disclosure in the financial statements.
- e. Reportable transactions as defined in Section 103(b)(3)(H) of ERISA.

34. Except as disclosed in the financial statements, the Plan has:

- a. Satisfactory title to all recorded assets, and those assets are not subject to any liens, pledges, or other encumbrances.

- b. Complied with all aspects of contractual agreements, for which noncompliance would materially affect the financial statements.

Receivables

35. Adequate allowances have been accrued for any material losses from uncollectible receivables.

Estimates

36. We have identified all accounting estimates that could be material to the financial statements, and we confirm the appropriateness of the methods and the consistency in their application, the accuracy and completeness of data, and the reasonableness of significant assumptions used by the Plan in making the accounting estimates, including those measured at fair value reported in the financial statements.
37. Significant estimates that may be subject to a material change in the near term have been properly disclosed in the financial statements. We understand that “near term” means the period within one year of the date of the financial statements. In addition, we have no knowledge of concentrations, which refer to volumes of loans, investments, or deposits, existing at the date of the financial statements that would make the Plan vulnerable to the risk of severe impact in the near term that have not been properly disclosed in the financial statements.

Fair Value

38. With respect to the fair value measurements of financial assets and liabilities, recognized in the financial statements or disclosed in the notes thereto:
- a. The underlying assumptions are reasonable and they appropriately reflect management’s intent and ability to carry out its stated course of action.
 - b. The measurement methods and significant assumptions used in determining fair value are appropriate in the circumstances for financial statement measurement and disclosure purposes and have been consistently applied.
 - c. The significant assumptions appropriately reflect market participant assumptions.
 - d. The disclosures related to fair values are complete, adequate, and in conformity with accounting principles generally accepted in the United States of America.
 - e. There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.

Investments

39. Investments are properly measured at fair value, except for fully benefit-responsive investment contracts which are reported at contract value. Investments measured at fair value include:
- a. Investments with a readily determinable fair value that are reported at net asset value (NAV) per share/unit.
 - b. Investment values determined using NAV as a practical expedient.

Off-Balance Sheet Risk

40. Financial instruments with off-balance sheet risk and financial instruments with concentrations of credit risk have been properly recorded or disclosed in the financial statements.

Other Matters

41. We have elected to not amend the Plan documents to address the exclusion of Direct Auto Insurance Company ("DAIC") and Westminster American Insurance Company ("WAIC") as the companies were not a part of the Plan at its inception due to the date in which DAIC and WAIC were acquired. DAIC and WAIC remain excluded from the Plan as of December 31, 2023.

Cindy Launer

Cindy Launer (Oct 14, 2024 07:54 CDT)

Cindy Launer, Interim CEO

clauner@nodakins.com

Seth Daggett

Seth Daggett (Oct 14, 2024 08:49 CDT)

Seth Daggett, Chief Financial Officer

sdaggett@nodakins.com

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

NI H, I. E S O P
EIN 81 2683619
PLAN NUMBER 001
PLAN YEAR 01/01/2023 TO 12/31/2023

DESCRIPTION OF ASSET	(A) Total Number of Purchases	(B) Total Number of Sales	(C) Total Value of Purchases	(D) Total Value of Sales	(E) Net Gain/(Loss)
Interest Bearing Cash NI HOLDINGS, INC. ESOP CASH	2		\$ 276,694.22		\$ 0.00
Interest Bearing Cash NI HOLDINGS, INC. ESOP CASH		1		\$ 276,694.22	\$ 0.00
Employer Security NI HOLDINGS ESOP STOCK	2		\$ 334,361.54		\$ 0.00
Employer Security NI HOLDINGS ESOP STOCK		3		\$ 36,050.23	\$ 6,884.69-

* Schedule is prepared using the alternative way of reporting (iii) series transactions under DOL Regulation 2520.103-6(d)(2).

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN 81 2683619
PLAN NUMBER 001
PLAN YEAR 01/01/2023 TO 12/31/2023

[illegible]



NI Holdings, Inc. Employee Stock Ownership Plan

EIN 81-2683619 PN 001

**Independent Auditor's Report, Audited Financial
Statements, Supplemental Schedule**

December 31, 2023 and 2022



NI Holdings, Inc. Employee Stock Ownership Plan
Table of Contents

	<u>Page(s)</u>
Independent Auditor's Report	1-3
Statements of Net Assets Available for Benefits	4
Statements of Changes in Net Assets Available for Benefits	5
Notes to Financial Statements	6-11
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	12

Independent Auditor's Report

Audit Committee and Plan Participants
NI Holdings, Inc. Employee Stock Ownership Plan
Fort Washington, Pennsylvania

Opinion on the 2023 Financial Statements

We have audited the financial statements of the NI Holdings, Inc. Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the *Employee Retirement Income Security Act of 1974* (ERISA), which comprise the statement of net assets available for benefits as of December 31, 2023, the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2023, and the changes in its net assets available for benefits for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion on the 2023 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the 2023 Financial Statements" section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 2023 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements 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 2023 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting in error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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.

2023 Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2023, is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosing under ERISA.

Auditor's Report on the 2022 Financial Statements

The 2022 financial statements of the Plan were audited by predecessor auditors whose report dated October 5, 2023, expressed an unmodified opinion on those financial statements.

Forvis Mazars, LLP

**Fort Washington, Pennsylvania
October 10, 2024**

Federal Employer Identification Number: 44-0160260

NI Holdings, Inc. Employee Stock Ownership Plan
Statements of Net Assets Available for Benefits
December 31, 2023 and 2022

	2023	2022
Investments at fair value:		
NI Holdings, Inc. common stock not allocated	\$ 906,660	\$ 1,248,860
NI Holdings, Inc. common stock allocated	2,064,437	1,803,093
Total investments	2,971,097	3,051,953
Receivables:		
Accrued contributions	5,287	7,033
Total receivables	5,287	7,033
Total assets	2,976,384	3,058,986
Liabilities:		
Loan payable to Nodak Insurance Company	758,055	1,008,350
Accrued interest expense	5,287	7,033
Total liabilities	763,342	1,015,383
Net assets available for benefits	\$ 2,213,042	\$ 2,043,603

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

NI Holdings, Inc. Employee Stock Ownership Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2023 and 2022

	2023	2022
Employer contributions:		
Contributions	\$ 276,694	\$ 276,694
Accrued contributions	(1,746)	(1,698)
Total employer contributions	274,948	274,996
Investment loss:		
Net depreciation in fair value of investments	(63,319)	(1,312,937)
Total investment loss	(63,319)	(1,312,937)
Net additions	211,629	(1,037,941)
Deductions:		
Paid interest expense	26,399	33,239
Accrued interest expense	(1,746)	(1,698)
Distributions to participants	17,487	69,240
Administrative expense	50	343
Total deductions	42,190	101,124
Net increase (decrease) in net assets available for benefits	169,439	(1,139,065)
Net assets available for benefits:		
Beginning of year	2,043,603	3,182,668
End of year	\$ 2,213,042	\$ 2,043,603

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

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

1. Basis of Financial Statement Presentation

The NI Holdings, Inc. Employee Stock Ownership Plan (the “ESOP” or the “Plan”), established 2017, is a defined contribution plan and is sponsored by NI Holdings, Inc. (“NI Holdings”, the “Company”, or the “Employer”).

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in those net assets.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits during the reporting period. Actual results could differ significantly from those estimates.

2. Summary of Significant Accounting Policies

Investments:

The ESOP only holds investments in the Company’s common stock, which is traded on NASDAQ under the ticker symbol “NODK”. NI Holdings, Inc. common stock is recorded at quoted market values.

Investment Valuation and Income Recognition:

The shares of Company common stock are reported at fair value. See Note 4 for a discussion of the fair value measurements. Dividend income is accrued on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the average cost method. Net appreciation or depreciation includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Distributions to Participants:

Distributions to participants are recorded when paid. Distributions of a participant’s account shall be made in whole shares of Company stock and cash. Participants may elect to have their entire account balance distributed in cash. The value of Company shares distributed in cash shall be equal to the fair market value multiplied by the number of shares credited to the participant’s account, using the closing market price coinciding with or immediately preceding the date of the distribution.

Diversification Election:

A participant who has attained age 55 and completed at least ten years of participation in the ESOP may elect to transfer up to twenty-five percent of the participant’s interest in the ESOP to the applicable NI Holdings, Inc. or Affiliate 401(k) Plan, which permits participants to make investment elections outside of the Company’s common stock.

3. Description of Plan

The following summary of the Plan provides general information only. Participants should refer to the plan agreement for a more complete description of the Plan’s provisions.

General:

The Company has established an Employee Stock Ownership Plan. The ESOP is intended to be an employee stock ownership plan within the meaning of Internal Revenue Code Section 4975(e)(7) and will invest solely in common stock of the Company.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

In connection with the Company's initial public offering on March 13, 2017, Nodak Insurance Company ("Nodak Insurance") loaned \$2.4 million (the "ESOP loan") to the ESOP's related trust (the "ESOP Trust"). The ESOP loan will be for a period of ten years and bears interest at the long-term Applicable Federal Rate effective on the closing date of the offering (2.79% annually). The ESOP Trust used the proceeds of the loan to purchase 240,000 shares of NI Holdings common stock in the initial public offering, which results in the ESOP Trust owning approximately 1.0% of the Company's authorized shares. The ESOP has purchased the shares for investment and not for resale.

The shares purchased by the ESOP Trust in the offering are held in a suspense account as collateral for the ESOP loan. The shares held in the ESOP's suspense account are not considered outstanding for earnings per share purposes. Nodak Insurance will make semi-annual cash contributions to the ESOP in amounts no smaller than the amounts required for the ESOP Trust to make its loan payments to Nodak Insurance. While the ESOP makes two loan payments per year, a pre-determined portion of the shares will be released from the suspense account and allocated to participant accounts at the end of the calendar year. This release and allocation will occur on an annual basis over the ten-year term of the ESOP loan. Nodak Insurance will have a lien on the shares of common stock of the Company held by the ESOP to secure repayment of the loan from the ESOP to Nodak Insurance. If the ESOP is terminated as a result of a change in control of the Company, the ESOP may be required to pay the costs of terminating the plan.

It is anticipated that the only assets held by the ESOP will be shares of the Company's common stock. Participants in the ESOP cannot direct the investment of any assets allocated to their accounts. The ESOP participants are employees of Nodak Insurance. The employees of Tri-State, Ltd., a wholly owned direct subsidiary of Nodak Insurance, do not participate in the ESOP. Employees of Direct Auto Insurance Company and Westminster American Insurance Company, wholly owned subsidiaries of NI Holdings, Inc., also do not participate in the ESOP.

Each employee of Nodak Insurance will automatically become a participant in the ESOP if such employee is at least 21 years old, has completed a minimum of one thousand hours of service with Nodak Insurance, and has completed an Eligibility Computation Period. Employees are not permitted to make any contributions to the ESOP. Participants in the ESOP will receive annual reports from the Company showing the number of shares of common stock of the Company allocated to the participant's account and the market value of those shares. The shares are allocated to participants based on compensation as provided for in the Plan.

The basis of the common shares was set at \$10.00 per share as part of the initial public offering. As shares are sold from the ESOP, an investment gain or loss is realized on the difference between the market value and the cost.

The ESOP recognized a total capital loss on investment of \$63,318 for the year ended December 31, 2023, consisting of a realized capital gain on investment of \$724 and an unrealized capital loss on investment of \$64,042. The Company recognized a total capital loss on investment of \$1,312,937 for the year ended December 31, 2022, consisting of a realized capital loss on investment of \$15,800 and an unrealized capital loss on investment of \$1,297,137.

During 2023, 24,315 ESOP shares previously unallocated during 2022 were allocated to participants. At the end of 2023, 69,796 unearned ESOP shares in suspense at December 31, 2023. Of those shares previously allocated to participants, 1,267 ESOP shares and 4,515 ESOP shares were sold or forfeited during the years ended December 31, 2023, and 2022, respectively.

Using the Company's year-end market price of \$12.99 at December 31, 2023, the fair value of the remaining allocated ESOP shares was \$2,064,437 and the fair value of the unearned ESOP shares was \$906,660 for a total fair value of \$2,971,097.

Administrative Expenses:

Substantially all expenses of maintaining the Plan are paid by the Company.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

Contributions:

All contributions to the ESOP are made by the Company. Participants cannot make additional contributions nor direct the investment of any assets allocated to their accounts. There are no provisions which allow for loans to participants.

Allocations:

The Plan intends to allocate shares to participants annually at the end of each year. At December 31, 2023, 24,315 ESOP shares were approved for allocation and distributed to participant accounts in early 2024.

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to: (a) the accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

Vesting:

Each participant shall have a vested interest in their participant account, if any, in accordance with the following vesting schedule:

Years of Service	Vested Percentage
0-1 years of service	0%
1 year of service	20%
2 years of service	40%
3 years of service	60%
4 years of service	80%
5 or more years of service	100%

A participant whose employment terminates on or after their normal retirement date shall be 100% vested. A participant whose employment terminates on account of death or disability shall be 100% vested.

Forfeitures:

If, prior to being 100% vested, a participant terminates employment for a reason other than death, disability, or attainment of normal retirement date, then the non-vested portion of the participant's account will be forfeited. Plan forfeitures are allocated to each participant's account based upon the relation of the participant's compensation to total compensation for the Plan year.

Dividends:

At the Company's discretion, any cash dividends on allocated shares may (i) be used to pay the principal and/or interest of the ESOP loan, (ii) be paid to participants as cash, (iii) be paid directly to participant accounts, or (iv) be distributed or reinvested in Company stock pursuant to a participant or beneficiary election.

Any cash dividends on unallocated shares shall be applied first to repay the principal and interest on the ESOP loan. After the payment of the principal and interest on the ESOP loan, any remaining cash dividends on Company stock may be used, at the Company's discretion, to purchase Company stock or to be allocated to participants' accounts.

The Company has not declared or paid any dividends on its common stock since the inception of the Plan.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

Distributions:

In the event of a participant's termination from employment for any reason, a participant shall be entitled to a distribution of all amounts that are credited to the participant's account. Upon the death of a participant, all amounts credited to the participant's account shall be distributed to the participant's beneficiary. Distributions shall be made as soon as administratively feasible.

Participant Accounts:

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the trustee from the unallocated account and forfeitures of terminated participant's non-vested accounts. Only those participants who are eligible employees of the Company as of the last day of the Plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

Voting Rights:

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the trustee prior to the time that such rights are to be exercised. The trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The trustee is required, however, to vote any unallocated shares on behalf of the collective best interests of Plan participants and beneficiaries.

4. Fair Value Accounting

The Financial Accounting Standards Board (the "FASB") issued guidance that establishes 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 I) and the lowest priority to unobservable inputs (Level III). The three levels of the fair value hierarchy are described below:

Level I – Quoted price (unadjusted) in active markets for identical assets and liabilities.

Level II – Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. Level II inputs include quoted prices for similar assets or liabilities other than quoted in prices in Level I, quoted prices in markets that are not active, or other inputs that are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level III – Unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. Unobservable inputs reflect the reporting entity's own assumptions that market participants would use in pricing the asset or liability. Level III assets and liabilities include financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

The following table sets forth by level, within the fair value hierarchy, the Plan's investment assets at fair value as of December 31, 2023, and 2022:

	December 31, 2023			
	Total	Level I	Level II	Level III
Equity securities:				
NI Holdings, Inc. common stock	\$ 2,971,097	\$ 2,971,097	\$ -	\$ -
Total equity securities	<u>2,971,097</u>	<u>2,971,097</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>2,971,097</u>	\$ <u>2,971,097</u>	\$ <u>-</u>	\$ <u>-</u>

	December 31, 2022			
	Total	Level I	Level II	Level III
Equity securities:				
NI Holdings, Inc. common stock	\$ 3,051,953	\$ 3,051,953	\$ -	\$ -
Total equity securities	<u>3,051,953</u>	<u>3,051,953</u>	<u>-</u>	<u>-</u>
Total assets at fair value	\$ <u>3,051,953</u>	\$ <u>3,051,953</u>	\$ <u>-</u>	\$ <u>-</u>

5. Investments

The Plan's investments, at December 31, 2023, are presented in the following table:

	Allocated	Unallocated	Total
NI Holdings Inc. common stock:			
Number of shares	158,926	69,796	228,722
Cost	\$ 1,589,260	\$ 697,960	\$ 2,287,220
Estimated fair value	\$ 2,064,437	\$ 906,660	\$ 2,971,097

The Plan's investments, at December 31, 2022, are presented in the following table:

	Allocated	Unallocated	Total
NI Holdings Inc. common stock:			
Number of shares	135,879	94,110	229,989
Cost	\$ 1,358,790	\$ 941,100	\$ 2,299,890
Estimated fair value	\$ 1,803,093	\$ 1,248,860	\$ 3,051,953

6. Risks and Uncertainties

The Plan invests solely in common stock of the Company. The Plan has a concentration of investment in NI Holdings common stock. A change in the value of NI Holdings common stock could cause the value of the Plan's net assets available for benefits to change due to this concentration.

NI Holdings, Inc. Employee Stock Ownership Plan
Notes to Financial Statements
December 31, 2023 and 2022

7. Related Party Transactions

The Plan received a loan from Nodak Insurance to purchase shares from the Company's initial public offering. Nodak Insurance makes semi-annual contributions to the Plan, and the Plan makes semi-annual loan repayments at the same time and for the same amounts.

The Plan has significant investments in the Company's common stock, which qualify as party-in-interest transactions. These transactions are exempt from prohibited transaction regulations.

8. Commitments and Obligations

The Plan received a loan from Nodak Insurance to purchase shares from the Company's initial public offering. The ESOP loan is for a period of ten years and bears interest at the long-term Applicable Federal Rate effective on the closing date of the offering (2.79% annually).

As of December 31, 2023, the Plan has the following future loan repayments required under the ESOP loan:

Year	2024	2025	2026	Total
Amount	\$257,327	\$264,556	\$236,172	\$758,055

9. Income Taxes

The Plan obtained a determination letter dated April 16, 2018, from the Internal Revenue Service, which stated that the Plan qualifies under the applicable provisions of the Internal Revenue Code and, therefore, is exempt from federal income taxes.

Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe that the Plan is qualified, and the related trust is tax-exempt.

The FASB issued guidance on accounting for uncertainty in income taxes. Management evaluated the Plan's tax positions and concluded that the Plan has maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

10. Plan Termination

Although the Company has not expressed any intent to terminate the Plan, it may do so at any time. In the event of Plan termination, participants would become 100% vested in their accounts.

11. Subsequent Events

Management has evaluated subsequent events through October 10, 2024, the date on which the financial statements were available to be issued.

NI Holdings, Inc. Employee Stock Ownership Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
EIN: 81-2683619
Plan #001
December 31, 2023

Identity of Party Involved (a)	Identity of Issue, Borrower, Lessor of Similar Party (b)	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value (c)	Cost (d)	Current Value (e)
(1)	NI Holdings, Inc.	228,722 shares of common stock, \$0.01 par value	\$ 2,287,220	\$ 2,971,097
(1) Party-in-interest to the Plan				