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

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

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.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [ ] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ [ ]

Part II Basic Plan Information—enter all requested information

1a Name of plan
BEPC, INCORPORATED EMPLOYEE STOCK OWNERSHIP PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan
01/01/2019

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)
BEPC, INC.

3240 EXECUTIVE DRIVE
SAN ANGELO, TX 76904

2b Employer Identification Number (EIN)
26-1107008

2c Plan Sponsor's telephone number
325-944-0169

2d Business code (see instructions)
541600

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. **Signature of plan administrator**	06/26/2025 Date	ALMA MCLEROY Enter name of individual signing as plan administrator
SIGN HERE	**Signature of employer/plan sponsor**	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	**Signature of DFE**	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address [X] 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**	226
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	157
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	118
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	67
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	185
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	185
g(1)	Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)	**6g(1)**	175
g(2)	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g(2)**	185
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	26
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)** [X] 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)** [X] Trust
- **(4)** [ ] General assets of the sponsor

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

a Pension Schedules

- **(1)** [X] **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 ______
- **(5)** [ ] **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] **A** (Insurance Information) – Number Attached 0
- **(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 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code______________________

SCHEDULE H (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

2024

This Form is Open to Public Inspection

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan
BEPC, INCORPORATED EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BEPC, INC.

D Employer Identification Number (EIN)
26-1107008

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	7072	42038
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	50000	0
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	0	0
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)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)	5972120	8335950
(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	6029192	8377988
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	578752	5417755
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through1j)	1k	578752	5417755
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	5450440	2960233

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)	317348	
(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)		317348
b **Earnings on investments:**			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	54	
(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)		54
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	0	
(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)	-2736170	
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		-2736170

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		-2418768
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	15037	
(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)		15037
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		56352
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(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)	50	
(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		71439
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-2490207
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) [X] 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)** [X] 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: CONDLEY AND COMPANY, LLP **(2)** EIN: 75-1056027

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.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		603000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

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

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

SCHEDULE R (Form 5500)	Retirement Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2024** **This Form is Open to Public Inspection.**

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan
BEPC, INCORPORATED EMPLOYEE STOCK OWNERSHIP PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
BEPC, INC.

D Employer Identification Number (EIN)
26-1107008

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): 85-2476805 ____________

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

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

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__________.

BEPC, INCORPORATED
EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
December 31, 2024 and 2023

BEPC, INCORPORATED
EMPLOYEE STOCK OWNERSHIP PLAN

CONTENTS
December 31, 2024 and 2023

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June 18, 2025

Plan Administrator
BEPC, Incorporated
Employee Stock Ownership Plan
San Angelo, Texas

Independent Auditor's Report

Opinion

We have audited the financial statements of the BEPC, Incorporated Employee Stock Ownership Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprises the statements of net assets available for benefits as of December 31, 2024 and 2023, the related statement of changes in net assets available for benefits for the year ended December 31, 2024, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the Plan's net assets available for benefits as of December 31, 2024, and 2023, and the changes in its net assets available for benefits for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Emphasis of Matter – Investments

As disclosed in Notes 4 and 5 to the financial statements, the fair value of the Plan's investment in BEPC, Inc. stock, representing 100% of the Plan's investments as of December 31, 2024 and 2023, has been determined by an independent appraiser in the absence of a readily determinable fair value. Because of the inherent uncertainty of valuation, the value may differ significantly from the value that would have been used had a ready market for the investments existed, and the differences could be material. Our opinion concerning this matter has not been modified.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for preparing and presenting the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal controls relevant to preparing and presenting 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 issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that its transactions in the financial statements conform with its provisions. This includes maintaining sufficient records concerning each participant to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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, there is no 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies, the reasonableness of significant accounting estimates made by management, and 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 time.

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

Supplemental Schedule Required by ERISA

Our audits were conducted to form an opinion on the financial statements. The supplemental schedule, Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2024, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's (DOL's) Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether it, including its form and content, is presented in conformity with the DOL'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, concerning the financial statements as a whole, and the form and content are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Condley and Company, L.L.P.

Certified Public Accountants

BEPC, INCORPORATED EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2024 and 2023

	2024			2023		
	Allocated	**Unallocated**	**Total**	Allocated	Unallocated	Total
ASSETS						
Cash	**$ 42,038**	**$ -**	**$ 42,038**	$ 7,072	$ -	$ 7,072
Employer contributions receivable	**-**	**-**	**-**	50,000	-	50,000
Investments in BEPC, Inc. common stock at fair value	**4,551,004**	**3,784,946**	**8,335,950**	-	-	-
Investments in BEPC, Inc. preferred stock at fair value	**-**	**-**	**-**	5,491,499	480,621	5,972,120
TOTAL ASSETS	**4,593,042**	**3,784,946**	**8,377,988**	5,548,571	480,621	6,029,192
LIABILITIES						
Notes payable	**-**	**5,417,755**	**5,417,755**	-	578,752	578,752
Interest expense payable	**-**	**-**	**-**	-	-	-
TOTAL LIABILITIES	**-**	**5,417,755**	**5,417,755**	-	578,752	578,752
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS	**$ 4,593,042**	**$ (1,632,809)**	**$ 2,960,233**	$ 5,548,571	$ (98,131)	$ 5,450,440

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

BEPC, INCORPORATED EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2024

	Allocated	Unallocated	Total
ADDITIONS:			
Investment income:			
Interest	$ 54	-	$ 54
Net depreciation in fair value of investments	(1,072,798)	(1,663,372)	(2,736,170)
Allocation of 1,349 shares of BEPC, Inc. common stock at fair value	132,303	-	132,303
Net investment loss:	(940,441)	(1,663,372)	(2,603,813)
Contributions:			
Employer contributions	-	317,348	317,348
Total Additions	(940,441)	(1,346,024)	(2,286,465)
DEDUCTIONS:			
Benefits paid	15,037	-	15,037
Fees	50	-	50
Interest expense	-	56,352	56,352
Allocation of 1,349 shares of BEPC, Inc. common stock at fair value	-	132,303	132,303
Total Deductions	15,087	188,655	203,742
NET DECREASE	(955,528)	(1,534,679)	(2,490,207)
NET ASSETS (DEFICIT) AVAILABLE FOR BENEFITS:			
Beginning of year	5,548,570	(98,130)	5,450,440
End of year	$ 4,593,042	$ (1,632,809)	$ 2,960,233

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

NOTE 1: PLAN DESCRIPTION

The following description of the BEPC, Incorporated Employee Stock Ownership Plan (the "Plan") provides only general information. Participants should refer to the Plan Document and Summary Plan Description for a more complete description of the Plan's provisions.

General

BEPC, Incorporated (the "Company") established the Plan effective as of January 1, 2019. The Plan operates as an employee stock ownership plan (ESOP). The Plan purchased Company stock using the proceeds from various loans from the Company (see Note 6), and holds the stock in a trust established under the Plan. The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986 (Code), as amended. It is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is administered by an ESOP Committee appointed by the Company.

On September 11, 2020, the Trust purchased 49,000 shares of BEPC, Incorporated Class B ESOP Convertible Preferred Stock, with proceeds from a $7,100,000 loan.

On October 10, 2024, a second-stage ESOP transaction (the "Second Stage ESOP Transaction") was completed, and the Trust purchased 36,000 shares of BEPC, Incorporated Class A Voting Common Stock, with proceeds from a $5,100,000 loan.

In connection with the Second Stage ESOP transaction, the Plan converted its original 49,000 shares of Class B ESOP Convertible Preferred Stock into an equal number of Class A Voting Common Stock shares. Immediately thereafter, the Plan amended its Certificate of Formation to eliminate the Class B Preferred Stock class entirely.

Unallocated and Allocated Shares

The borrowings are collateralized by the unallocated shares of stock and are guaranteed by the Company. The lender has no rights against shares once allocated to participants per the terms of the ESOP. Accordingly, the financial statements of the Plan as of December 31, 2024 and 2023, and for the year ended December 31, 2024, present separately the assets and liabilities and changes therein pertaining to:

- The accounts of employees with vested rights in allocated company stock (allocated).
- Company stock not yet allocated to employees (unallocated).

Eligibility to Participate

Employees of the Company are generally eligible to participate in the Plan after one year of service, provided they have worked at least 1,000 hours during such Plan year and are over the age of 21. Participants who do not have at least 1,000 hours of service during such Plan year or are not employed on the last working day of a Plan year are generally not eligible for an allocation of Company contributions for such year.

Employer Contributions

The Company is obligated to make contributions in cash or stock to the Plan, which, when aggregated with the Plan's dividends and interest earnings, are sufficient to enable the Plan to make its regularly scheduled payments of principal and interest on its long-term debt, if any.

Dividends

Dividends on allocated shares of Company common stock may be: (1) applied to repay any outstanding plan loans that were used to acquire Company common stock; (2) distributed to participants in cash or (3) allocated to each participant's account in Company common stock or cash. The Company has the discretionary authority to handle dividends paid on allocated shares of Company common stock in any of the ways described above. Dividends on unallocated shares of Company common stock that are held in the Plan's unallocated account may be applied to repay the outstanding plan loan used to acquire Company common stock or allocated to each participant's account balance based on a participant's eligible compensation relative to the total eligible compensation of all participants.

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 with his or her share of plan activity, including the employer contribution, earnings (loss) on investments, forfeitures, and released shares. Only those participants who are eligible employees receive an allocation. Allocations of the employer contribution, forfeitures, and dividends paid on unallocated shares are based on a participant's compensation relative to all participants' total eligible compensation. Dividends paid on shares released from collateral are allocated based on the shares in each participant's account. Other plan earnings (losses) are allocated to each participant's account based on the participant's account balance ratio.

Put Option

Under federal income tax regulations, the Company stock held by the Plan and its participants is not readily tradable on an established market or is subject to trading limitations, so it includes a put option. The put option is a right to demand that the Company buy any shares of its stock distributed to participants for which there is no market. The put price is representative of the current appraised value of the stock. The Company can pay for the purchase with interest over five years. The purpose of the put option is to ensure that the participant can ultimately obtain cash.

Forfeiture Accounts

Plan forfeitures are allocated to each participant's account based on the relation of the participant's eligible compensation to the total eligible compensation for the Plan year. For the year ended December 31, 2024, 2,315 shares forfeited in connection with the payment of benefits were reallocated to participants. There were no unallocated forfeitures as of December 31, 2024 and 2023.

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to the participant's beneficiary or, if none, their legal representatives), becomes permanently disabled, or otherwise terminates employment with the Company. For participants terminating employment before reaching retirement age for any reason other than death or disability, distributions will begin no later than one year after the close of the fifth year following the year in which the termination occurs and are made in five equal annual installments. For participants terminating employment because of death or disability or on or after reaching retirement age, distributions will begin no later than one year after the close of the Plan year in which termination occurs and are made in five equal annual installments.

For participants who have terminated employment and the value of the account is greater than $5,000, the participant may elect to postpone payment until they reach retirement age.

For participants who have reached age 55 and have completed 10 years of participation in the Plan, the participant may elect to diversify a portion of their account balance by receiving a cash distribution of the applicable amount in accordance with the Plan Document.

Vesting

Participants become 20% vested after two years of credited service and earn an additional 20% with each credited year of service thereafter. After six years of credited service, a participant is 100% vested. The vesting schedule is as follows:

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

The Plan also provides for 100% vesting for participants upon death, permanent disability or reaching the normal retirement age (65).

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account concerning major corporate events, as defined in the Plan Agreement. For any allocated shares for which it has not received direction from a participant (or beneficiary), the Plan's trustee shall vote. Additionally, the trustee shall vote for all unallocated employer shares.

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into more diversified investments. Participants at least age 55 and have at least ten years of participation in the plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over six years. In each of the first five years, a participant may diversify up to 25% of the value of his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. Participants who elect to diversify receive a cash distribution. The election to diversify is made subsequent to year-end based upon the shares of employer stock in the participant's account at year-end.

Plan Termination

Although it has not expressed intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA entirely. Upon termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or the participant's beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the ESOP Committee shall direct the trustee to pay all liabilities and expenses of the trust fund.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Plan's financial statements are prepared on the accrual basis of accounting in accordance with accounting standards set by the Financial Accounting Standards Board (FASB). The FASB sets generally accepted accounting principles (GAAP) in the United States of America to ensure that net assets available for benefits and changes in net assets available for benefits are consistently reported. References to GAAP issued by the FASB in these footnotes are to the FASB Accounting Standards Codification (FASB ASC).

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Company's shares were valued at their estimated fair value on December 31. Fair value is determined by an annual independent appraisal.

Dividend income, if any, is recorded when declared. Net depreciation includes the Plan's gains and losses on investments bought, sold, and held during the year.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Allocations

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 generally allocated in the period in which debt service is paid.

Administrative Expenses

Administrative expenses may be paid by the Company or the Plan at the Company's discretion. The Company has historically paid the operating expenses of the Plan. Expenses that are paid by the Company are excluded from these financial statements.

Recent Accounting Pronouncements

The Plan has adopted all recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force) and the American Institute of Certified Public Accountants that management believes will have a material impact on the Plan's present or future financial statements.

Subsequent Events

The Plan has evaluated subsequent events through June 18, 2025, the date the financial statements were available to be issued.

NOTE 3: ADMINISTRATION OF PLAN ASSETS

The Trustee of the Plan holds the Plan's assets, which consist of the Company's stock.

The Trustee holds and manages company contributions, invests cash received, interest, and dividend income, and distributes it to participants. The Trustee also administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

Certain administrative functions are performed by company officers or employees. No such officer or employee receives compensation from the Plan. The company pays administrative expenses for the trustee's fees directly.

NOTE 4: INVESTMENTS

The Plan's investments at December 31, 2024 and 2023, are presented in the following table:

	2024		2023	
	Allocated	**Unallocated**	Allocated	Unallocated
BEPC, Inc. stock				
Number of shares	**46,406**	**38,594**	45,057	3,943
Cost	**$ 6,720,335**	**$ 5,479,665**	$ 6,528,610	$ 571,390
Estimated fair value	**$ 4,551,004**	**$ 3,784,946**	$ 5,491,499	$ 480,621

Gains (realized and unrealized) included in changes in net assets for the year ended December 31, 2024 are reported in "Net depreciation in fair value of investments" in the statement of changes in net assets available for benefits.

NOTE 5: FAIR VALUE MEASUREMENTS

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

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan can access.

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

The following describes the valuation methods and assumptions for assets measured at fair value. The methodologies used on December 31, 2024, have not changed.

BEPC, Inc. stock
For the years ended December 31, 2024 and 2023, the valuation technique was a combined valuation process using the income and market approaches. The asset approach was deemed not applicable in the analysis.

The income approach measures the value of stock as the present value of its future economic benefits. Significant unobservable inputs under the income approach are prospective financial information, income tax rate, cash flow adjustments, terminal value, weighted average cost of capital, discount rate, and a modified capital asset pricing model.

The market approach examines transactions in which the buyer acquired at least a majority stake in the target company, known as the guideline transaction method. The multiples at which these market transactions occur offer evidence of a multiple at which the subject entity might exchange hands in a hypothetical transaction. Significant unobservable inputs under the market approach are the selection of guideline transactions, market multiples, and the discount rate due to a lack of marketability.

The valuation process involves the plan trustee selecting an appraiser. Plan management accumulates the data for the appraiser from the company's historical and projected financial information. The appraiser prepares a report of the estimated per-share value a participant will receive upon distribution.

Following the second-stage transaction, the ESOP now holds a controlling interest. Therefore, the appraiser's report reflects the fair market value of the subject interest on a non-marketable, controlling basis at December 31, 2024. The appraiser's report reflects the fair market value of the subject interest on a non-marketable, non-controlling basis at December 31, 2023. The Trustee reviews the report with the appraiser and ESOP Committee at a regularly scheduled meeting. The Trustee then evaluates the methods used and estimates per share value for reasonableness, approves the report, and determines the resulting estimated fair value.

The methods above may produce a fair value calculation that may not indicate the net realizable value or reflect future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with market participants, using different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date. There were no transfers between levels for 2024 and 2023.

The following tables are set forth by level within the fair value hierarchy of the Plan's assets at fair value as of December 31, 2024 and 2023:

	Assets at Fair Value as of December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
BEPC, Inc. common stock	$ -	$ -	$ 8,335,950	$ 8,335,950
Total investments	$ -	$ -	$ 8,335,950	$ 8,335,950

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total
BEPC, Inc. preferred stock	$ -	$ -	$ 5,972,120	$ 5,972,120
Total investments	$ -	$ -	$ 5,972,120	$ 5,972,120

There were no transfers in or out of Level 3 for the years ended December 31, 2024, and 2023.

NOTE 6: NOTES PAYABLE

In 2020, the Trust entered into a $7,100,000 loan agreement with the owners of the Company. The loan proceeds were used to purchase the Company's Class B ESOP Convertible Preferred Stock. The Company thereafter assumed the Trust's obligations under the loan agreement, and the Trust entered into a new loan agreement with the Company. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as principal and interest payments are made. The number of shares released in any year is the number of shares held as collateral times the ratio of the current year's payments divided by the total of that year's payments plus all future years' principal and interest payments. This resulted in 188 and 4,129 shares being released and allocated for the Plan year ended December 31, 2024 and 2023, respectively.

The agreement allows the loan to be repaid over 25 years and bears interest at 1.62%. The fair value of the note payable as of December 31, 2024 and 2023 was $555,394 and $578,752, respectively, determined by using interest rates currently available for issuance of debt with similar terms, maturity dates, and nonperformance risk.

In October 2024, the Trust entered into a $5,100,000 loan agreement with the owners of the Company. The loan proceeds were used to purchase the Company's Class A Common Stock. The Company thereafter assumed the Trust's obligations under the loan agreement, and the Trust entered into a new loan agreement with the Company. Unallocated shares are collateral for the loan. Shares are released from collateral and allocated to participants as principal and interest payments are made. The number of shares released in any year is the number of shares held as collateral times the ratio of the current year's payments divided by the total of that year's payments plus all future years' principal and interest payments. This resulted in 1,161 shares being released and allocated for the Plan year ended December 31, 2024.

The agreement allows the loan to be repaid over 31 years and bears interest at 4.10%. The fair value of the note payable as of December 31, 2024 was $4,862,361, determined using interest rates currently available for issuance of debt with similar terms, maturity dates, and nonperformance risk.

The scheduled amortization of the loans for the next five years and thereafter is as follows:

2025	$	109,006
2026		112,886
2027		116,916
2028		121,101
2029 and thereafter		4,957,846
Total	$	5,417,755

NOTE 7: SIGNIFICANT ESTIMATES AND CONCENTRATIONS

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. These matters include the following:

Valuation of BEPC, Inc. Stock

The Company's stock is valued at its estimated fair value, determined by an annual independent appraisal. The actual fair value of the stock can only be determined based on the Company's ultimate sale.

NOTE 8: RELATED PARTY AND PARTY-IN-INTEREST TRANSACTIONS

Party-in-interest transactions include those with fiduciaries or employees of the Plan, any person who provides services to the Plan, an employer whose employees are covered by the Plan, an employee organization whose members are covered by the Plan, a person who owns 50% or more of such an employer or employee association or relatives of such persons. The Plan invests in Company stock and its indebtedness to the Company, which are related party and party in interest transactions.

The Company provides certain administrative services at no cost to the Plan.

NOTE 9: INCOME TAX MATTERS

The Plan has received a determination letter from the Internal Revenue Service dated September 21, 2021, stating the Plan and related trust, as designed, are following the applicable requirements of the Code and, therefore, not subject to tax. The Plan has been amended since receiving the determination letter. However, the Plan administrator believes the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, they believe that the Plan was qualified, and the related trust was tax-exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that is more likely than not would not be sustained upon examination by the U.S. Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 10: RISKS AND UNCERTAINTIES

The Plan primarily invests in Company stock, which is exposed to various risks, such as market and credit risk, and valuation assumptions based on earnings and cash flows. Due to the level of risk associated with such investment securities and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risk in the near term could materially affect the participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

NOTE 11: SUBSEQUENT EVENTS

Effective January 1, 2025, the plan was amended to adopt changes under the CARES Act and Secure Act, including the increased cashout limit of Secure Act 2.0, and to reflect the Company's election to be taxed as an S Corporation.

SUPPLEMENTARY INFORMATION

BEPC, INCORPORATED EMPLOYEE STOCK OWNERSHIP PLAN

SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN: 26-1107008
Plan Number: 001

December 31, 2024

(a)	*Identity of Issuer, Borrower, Lessor, or Similar Party (b)*	*Description of Investment including Maturity Date, Rate of Interest, Collateral Par or Maturity Value (c)*	*Cost (d)*	*Current Value (e)*
*	BEPC, Incorporated Class A Voting Common Stock	85,000 shares	$ 12,200,000	$ 8,335,950
			$ 12,200,000	$ 8,335,950

* *Represents a party-in-interest to the Plan*

The accompanying notes are an integral part of this schedule.

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► BEPC Inc, Employee Stock Ownership Plan

Employer Identification Number:► 26-1107008

For plan year (beginning/ending):► 01/01/2024 - 12/31/2024 Plan number:►001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	BEPC, Inc	85,000 shares common stock	12,200,000	8,335,950
	First Financial Bank	Cash	42,038	42,038