

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2023

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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.

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, 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)
B This return/report is:
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) DISASTER RELIEF NC-2024-08
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: CAROLINA TELEPHONE & TELEGRAPH CO. SICKNESS DEATH BENEFIT PLAN - VEBA
1b Three-digit plan number (PN): 502
1c Effective date of plan: 05/19/1972
2a Plan sponsor's name (employer, if for a single-employer plan): CONNECT HOLDING II LLC D/B/A BRIGHTSPEED
2b Employer Identification Number (EIN): 87-3811759
2c Plan Sponsor's telephone number: 704-314-2400
2d Business code (see instructions): 517000

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.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

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

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<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN	
	<b>3c</b> Administrator's telephone number	
<b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN	
	<b>4d</b> PN	
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	262
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits ..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> . ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits ..... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . ..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a(1)</b>	221
	<b>6a(2)</b>	213
	<b>6b</b>	0
	<b>6c</b>	50
	<b>6d</b>	263
	<b>6e</b>	
	<b>6f</b>	
	<b>6g(1)</b>	
<b>6g(2)</b>		
<b>6h</b>		
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	<b>7</b>	

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:  
4B 4L

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

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

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

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

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**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.

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

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

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**SCHEDULE A  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Insurance 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.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

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**

<b>A</b> Name of plan <b>CAROLINA TELEPHONE &amp; TELEGRAPH CO. SICKNESS DEATH BENEFIT PLAN - VEBA</b>	<b>B</b> Three-digit plan number (PN) ▶ <b>502</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>CONNECT HOLDING II LLC D/B/A BRIGHTSPEED</b>	<b>D</b> Employer Identification Number (EIN) <b>87-3811759</b>

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

**1 Coverage Information:**

**(a)** Name of insurance carrier

**STANDARD INSURANCE COMPANY**

<b>(b)</b> EIN	<b>(c)</b> NAIC code	<b>(d)</b> Contract or identification number	<b>(e)</b> Approximate number of persons covered at end of policy or contract year	<b>Policy or contract year</b>	
				<b>(f)</b> From	<b>(g)</b> To
<b>93-0242990</b>	<b>69019</b>	<b>760793</b>	<b>4382</b>	<b>01/01/2023</b>	<b>12/31/2023</b>

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

<b>(a)</b> Total amount of commissions paid <b>87333</b>	<b>(b)</b> Total amount of fees paid <b>89812</b>
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**3 Persons receiving commissions and fees.** (Complete as many entries as needed to report all persons).

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

**ALTERITY GROUP LLC**

**340 MADISON AVENUE  
NEW YORK, NY 10173**

<b>(b)</b> Amount of sales and base commissions paid	<b>Fees and other commissions paid</b>		<b>(e)</b> Organization code
	<b>(c)</b> Amount	<b>(d)</b> Purpose	
<b>87333</b>			<b>3</b>

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

**ADP INC ATTN CLIENT AR #400700**

**PO BOX 830272  
PHILADELPHIA, PA 19182**

<b>(b)</b> Amount of sales and base commissions paid	<b>Fees and other commissions paid</b>		<b>(e)</b> Organization code
	<b>(c)</b> Amount	<b>(d)</b> Purpose	
<b>0</b>	<b>66414</b>	<b>ADMINISTRATIVE FEES</b>	<b>3</b>

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Schedule A (Form 5500) 2023  
v. 230707

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

ADP INC. PO BOX 830272  
PHILADELPHIA, PA 19182

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
0	23398	ADMINISTRATIVE FEES	3

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

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

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

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

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

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

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

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

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

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

**6** Contracts With Allocated Funds:

**a** State the basis of premium rates ▶

**b** Premiums paid to carrier ..... **6b**

**c** Premiums due but unpaid at the end of the year..... **6c**

**d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. .... **6d**  
 Specify nature of costs ▶

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

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

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

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

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

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

**8** Benefit and contract type (check all applicable boxes)

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

**9** Experience-rated contracts:

<b>a</b> Premiums: (1) Amount received .....		<b>9a(1)</b>	2457041
(2) Increase (decrease) in amount due but unpaid.....		<b>9a(2)</b>	
(3) Increase (decrease) in unearned premium reserve .....		<b>9a(3)</b>	
(4) Earned ((1) + (2) - (3)).....		<b>9a(4)</b>	2457041
<b>b</b> Benefit charges (1) Claims paid.....		<b>9b(1)</b>	2105500
(2) Increase (decrease) in claim reserves .....		<b>9b(2)</b>	365112
(3) Incurred claims (add (1) and (2)).....		<b>9b(3)</b>	2470612
(4) Claims charged .....		<b>9b(4)</b>	2470612
<b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions .....	<b>9c(1)(A)</b>	87333	
(B) Administrative service or other fees .....	<b>9c(1)(B)</b>	89812	
(C) Other specific acquisition costs .....	<b>9c(1)(C)</b>		
(D) Other expenses .....	<b>9c(1)(D)</b>	241167	
(E) Taxes .....	<b>9c(1)(E)</b>	46684	
(F) Charges for risks or other contingencies.....	<b>9c(1)(F)</b>	109231	
(G) Other retention charges .....	<b>9c(1)(G)</b>		
(H) Total retention .....	<b>9c(1)(H)</b>		574227
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.).....		<b>9c(2)</b>	
<b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....		<b>9d(1)</b>	
(2) Claim reserves .....		<b>9d(2)</b>	787119
(3) Other reserves.....		<b>9d(3)</b>	
<b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....		<b>9e</b>	

**10** Nonexperience-rated contracts:

<b>a</b> Total premiums or subscription charges paid to carrier .....	<b>10a</b>	0
<b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount .....	<b>10b</b>	

Specify nature of costs.

**Part IV Provision of Information**

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

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

AMOUNTS ARE NOT BROKEN OUT BY CARRIER FOR THIS PLAN.

<b>SCHEDULE D</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>	<b>DFE/Participating Plan Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2023</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

<b>A</b> Name of plan <u>CAROLINA TELEPHONE &amp; TELEGRAPH CO. SICKNESS DEATH BENEFIT PLAN - VEBA</u>	<b>B</b> Three-digit plan number (PN)	<u>502</u>
<b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>CONNECT HOLDING II LLC D/B/A BRIGHTSPEED</u>	<b>D</b> Employer Identification Number (EIN) <u>87-3811759</u>	

<b>Part I</b>	<b>Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)</b> (Complete as many entries as needed to report all interests in DFEs)
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<b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:	<u>COM SHORT TERM INVT FUND</u>	
<b>b</b> Name of sponsor of entity listed in (a):	<u>NORTHERN TRUST</u>	
<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
<u>36-6452394-001</u>	<u>C</u>	<u>1</u>

  

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

  

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

  

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

  

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

  

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

  

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

**c** EIN-PN

**d** Entity code

**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs, other than DCGs)**  
(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

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**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

**a** Plan name

**b** Name of plan sponsor **c** EIN-PN

**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**

<b>A</b> Name of plan CAROLINA TELEPHONE & TELEGRAPH CO. SICKNESS DEATH BENEFIT PLAN - VEBA		<b>B</b> Three-digit plan number (PN) ▶	502
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 CONNECT HOLDING II LLC D/B/A BRIGHTSPEED		<b>D</b> Employer Identification Number (EIN) 87-3811759	

**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
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>		
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	186	1576
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>		
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>		
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>		
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>	1	1
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>		
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....	<b>1c(14)</b>		
<b>(15)</b> Other .....	<b>1c(15)</b>		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	1d(1)		
(2) Employer real property .....	1d(2)		
e Buildings and other property used in plan operation .....	1e		
f Total assets (add all amounts in lines 1a through 1e) .....	1f	187	1577
<b>Liabilities</b>			
g Benefit claims payable .....	1g		
h Operating payables .....	1h		
i Acquisition indebtedness .....	1i		
j Other liabilities .....	1j		
k Total liabilities (add all amounts in lines 1g through 1j) .....	1k	0	0
<b>Net Assets</b>			
l Net assets (subtract line 1k from line 1f) .....	1l	187	1577

**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.

<b>Income</b>		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: (A) Employers .....	2a(1)(A)	15861	
(B) Participants .....	2a(1)(B)		
(C) Others (including rollovers) .....	2a(1)(C)		
(2) Noncash contributions .....	2a(2)		15861
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2) .....	2a(3)		
<b>b Earnings on investments:</b>			
(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)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate .....	2b(5)(A)		
(B) Other .....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) .....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts.....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts.....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities.....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		
<b>c</b> Other income .....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total .....	<b>2d</b>		15861

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers .....	<b>2e(1)</b>		
(2) To insurance carriers for the provision of benefits.....	<b>2e(2)</b>	14471	
(3) Other.....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		14471
<b>f</b> Corrective distributions (see instructions).....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions) .....	<b>2g</b>		
<b>h</b> Interest expense .....	<b>2h</b>		
<b>i</b> Administrative expenses:			
(1) Salaries and allowances.....	<b>2i(1)</b>		
(2) Contract administrator fees.....	<b>2i(2)</b>		
(3) Recordkeeping fees.....	<b>2i(3)</b>		
(4) IQPA audit fees.....	<b>2i(4)</b>		
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>		
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>		
(7) Actuarial fees .....	<b>2i(7)</b>		
(8) Legal fees .....	<b>2i(8)</b>		
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses .....	<b>2i(11)</b>		
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		0
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	<b>2j</b>		14471

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		1390
<b>l</b> Transfers of assets:			
(1) To this plan .....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**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: CROWE LLP

(2) EIN: 35-0921680

**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
<b>a</b> 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.)		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
<b>e</b> Was this plan covered by a fidelity bond?	X		50000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

**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.)

<b>5b(1)</b> Name of plan(s)	<b>5b(2)</b> EIN(s)	<b>5b(3)</b> 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 \_\_\_\_\_.

**CAROLINA TELEPHONE AND TELEGRAPH COMPANY  
SICKNESS DEATH BENEFIT PLAN**

**FINANCIAL STATEMENTS**  
December 31, 2023, 2022 and 2021

CAROLINA TELEPHONE AND TELEGRAPH COMPANY  
SICKNESS DEATH BENEFIT PLAN

FINANCIAL STATEMENTS  
December 31, 2023, 2022 and 2021

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## INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator  
of Carolina Telephone & Telegraph Company  
Sickness Death Benefit Plan

***Opinion on the 2023 and 2022 Financial Statements***

We have audited the financial statements of Carolina Telephone & Telegraph Company Sickness Death Benefit Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

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 2022, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion on the 2023 and 2022 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 and 2022 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 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 and 2022 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 for one year from the date the financial statements are available to be issued.

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

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(Continued)

## ***Auditor's Responsibilities for the Audit of the 2023 and 2022 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 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 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 and 2022 Supplemental Schedules Required by ERISA***

Our audit was conducted for the purpose of forming an opinion on the 2023 and 2022 financial statements as a whole. The supplemental schedules of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2023, Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2022, and Schedule H, Line 4j - Schedule of Reportable Transactions for the year ended December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information 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 schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

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(Continued)

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

***Other Matter - Auditor's Report on the 2021 Financial Statements***

Predecessor auditors performed an audit of the 2021 financial statements of Carolina Telephone & Telegraph Company Sickness Death Benefit Plan. In accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the prior year audit did not extend to any statements or information related to assets held for investment of the plan that were certified by a qualified institution. Their report dated October 12, 2022 indicated that (a) the amounts and disclosures in the 2021 financial statements, other than those agreed to or derived from the certified investment information, were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, and (b) the information in the 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C). Their report also indicated that the form and content of the 2021 supplemental schedules, other than the information in the 2021 supplemental schedules that agreed to or is derived from the certified investment information, were presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA; and the information in the 2021 supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determines meets the requirements of ERISA Section 103(a)(3)(C).

*Crowe LLP*  
Crowe LLP

Oakbrook Terrace, Illinois  
July 28, 2025

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
December 31, 2023, 2022 and 2021

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	<u>2023</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>			
Investments, at fair value	\$ 1	\$ 1	\$ 3,835
<b>Receivables</b>			
Employer contributions	<u>1,576</u>	<u>186</u>	<u>-</u>
<b>Net assets available for benefits</b>	<u>\$ 1,577</u>	<u>\$ 187</u>	<u>\$ 3,835</u>

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See accompanying notes to the financial statements.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
Years ended December 31, 2023 and 2022

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	<u>2023</u>	<u>2022</u>
Additions to net assets attributed to:		
Employer contributions	\$ 15,861	\$ 2,699,589
Investment income - interest	<u>-</u>	<u>16</u>
Total additions	15,861	2,699,605
Deductions from net assets attributed to:		
Insurance premiums	14,471	2,699,403
Administrative expenses	<u>-</u>	<u>3,850</u>
Total deductions	<u>14,471</u>	<u>2,703,253</u>
Increase/(decrease) in net assets available for benefits	1,390	(3,648)
Net assets available for benefits:		
Beginning of year	<u>187</u>	<u>3,835</u>
End of year	<u>\$ 1,577</u>	<u>\$ 187</u>

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See accompanying notes to the financial statements.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2023, 2022, and 2021

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**NOTE 1 – PLAN DESCRIPTION**

The following is a brief description of the Carolina Telephone and Telegraph Company Sickness Death Benefit Plan (the "Plan") and provides general information only. For more complete information, participants should refer to the Summary Plan Description and the Plan document.

General: The Plan is a fully insured non-contributory welfare benefit plan sponsored by the Carolina Telephone and Telegraph Company (the "Company" or "Plan Sponsor"), a subsidiary of Embarq Corporation ("Embarq"). Embarq became a wholly owned subsidiary of CenturyLink, Inc. ("CenturyLink") on July 1, 2009. On September 14, 2020, CenturyLink commenced operating under the brand name "Lumen" and on January 22, 2021, officially changed its legal name to "Lumen Technologies, Inc." As a result, CenturyLink is now named Lumen Technologies, Inc. (the "Ultimate Parent" of the Plan Sponsor or "Lumen"). On October 3, 2022, Lumen and certain of its wholly-owned subsidiaries sold its incumbent local exchange business primarily conducted within 20 Midwestern and Southeastern states (the "ILEC Business") to Connect Holding LLC and its affiliates (who conduct business under the brand "Brightspeed"), which are affiliates of funds advised by Apollo Global Management, Inc. Prior to the sale of the ILEC Business, retirees covered under the Plan were transferred from the Plan to the Lumen Retiree and Inactive Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

The Board of Directors of Lumen established the Lumen Employee Benefits Committee as the Plan Administrator and CenturyLink Investment Management Company as the Investment Fiduciary. The responsibilities for corporate functions such as plan amendment and termination were delegated to the Lumen Plan Design Committee. Subsequent the sale of ILEC Business the responsibilities were placed with the Brightspeed Benefits Committee.

Eligibility and Benefit Arrangement: Employees and retirees of the Company who meet the requirements specified in the Plan document are eligible to participate in the Plan. The Plan provides a death benefit to the beneficiary of eligible deceased retirees (prior to the transfer of these retirees to the Lumen Retiree and Inactive Plan) or to the beneficiary of eligible deceased employees of the Company who are represented by certain collective bargaining agreements. The death benefit is equal to a participant's annual rate of pay received immediately prior to an eligible participant's death or retirement and applies only to those participants whose death was caused by sickness or an accident not compensable under the North Carolina Worker's Compensation Act.

Funding Arrangement: The Company did not make any supplemental cash contributions to the Plan's voluntary employee beneficial association ("VEBA") trust in 2023 or 2022 for the purpose of accumulating assets and does not expect to make any such contributions to the VEBA trust in the future. The Company intends to pay insurance premiums and other expenses of the Plan from the general assets of the Company.

Plan Termination: Although it has not expressed any intention to do so, the Company has the right under the Plan to modify the benefits provided, to discontinue its contributions or to terminate the Plan subject to provisions set forth in ERISA and in the collective bargaining agreements, as applicable. Were the Plan to terminate, the assets would continue to be used for the exclusive purpose of paying benefits to covered participants and any related administrative expenses, subject to the provisions set forth in the Plan and ERISA.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2023, 2022, and 2021

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**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting: The accompanying financial statements are prepared on the accrual basis of accounting.

Investment valuation: Investments are reported at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent and knowledgeable participants who are willing and able to transact for an asset or liability at the financial statement date. Plan management uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs when determining fair value and then Plan management ranks the values based on the reliability of the inputs used following the fair value hierarchy set forth by the Financial Accounting Standards Board.

The three levels of the fair value hierarchy are as follows:

*Level 1* – Observable inputs such as quoted market prices in active markets.

*Level 2* – Inputs other than quoted prices in active markets that are either directly or indirectly observable.

*Level 3* – Unobservable inputs in which little or no market data exists.

Investments in common trust funds are fair valued using a practical expedient to the net asset value ("NAV") per unit (or its equivalent) of each fund. The NAV reported by the fund manager is based on the market value of the underlying investments owned by each fund, minus its liabilities, divided by the number of shares outstanding. Common trusts can be redeemed at NAV on a daily basis.

Use of Estimates: The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires the Plan's management to make certain estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, benefit obligations and changes therein and insurance premiums payable. Actual results could differ from those estimates.

Income Recognition: Interest income is recorded on the accrual basis. Purchases and sales of securities are recorded on a trade date basis.

Payment of Benefits: The Plan is fully insured and remits insurance premiums to a third-party insurance company, which is responsible for paying claims to beneficiaries.

Administrative Expenses: The Plan pays administrative expenses with the exception of certain expenses incurred and paid by the Ultimate Parent, such as Plan design and corporate functions. Direct expenses paid by the Plan include trustee fees, investment management fees, administration fees and certain other expenses. These direct expenses totaled \$0 and \$3,850 for 2023 and 2022, respectively, and are reported on the statement of changes in net assets available for benefits.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3 – FAIR VALUE MEASUREMENTS**

The Plan held no assets valued utilizing the input levels within the fair value hierarchy. The table below presents the fair value of plan assets valued at NAV:

	Fair Value of Plan Assets Valued at NAV at December 31,		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Common trust fund	\$ <u>1</u>	\$ <u>1</u>	\$ <u>3,835</u>
Total investments valued at NAV	\$ <u>1</u>	\$ <u>1</u>	\$ <u>3,835</u>

**NOTE 4 – PLAN'S QUALIFIED TAX STATUS AND INCOME TAXES**

The trust established under the Plan to hold the Plan's assets is intended to qualify pursuant to Section 501(c)(9) of the Internal Revenue Code ("IRC"), and accordingly, the trust's net investment income is exempt from income taxes. The trust has obtained a favorable tax determination letter from the Internal Revenue Service ("IRS") dated May 21, 1973, stating that the trust is tax exempt, and the Plan Sponsor believes that the trust, as amended, continues to qualify and to operate in accordance with the applicable provisions of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability or asset if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2019.

**NOTE 5 – PLAN BENEFIT OBLIGATIONS**

Accumulated Plan Benefit Obligations: The accumulated plan benefit obligation ("APBO") represents the actuarial present value of those estimated future benefits that are attributed to employee service rendered as of the financial statement date. The APBO includes estimated future death benefits expected to be paid to beneficiaries of (i) current retirees, (ii) active employees represented by certain collective bargaining agreements and (iii) assumed future retirees of the Company who were active and identified on December 31, 1993, and who remain active employees of the Company until they become retirement eligible, as defined in the plan document.

The APBO is determined by an actuary and is the amount that results from applying actuarial assumptions to historical data to estimate future annual incurred costs per participant and to adjust such estimates for the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as those for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

Amounts Currently Payable: Premiums not yet paid by the Plan related to coverage at or before year-end are included in premiums due to insurers in the statement of benefit obligations.

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(Continued)

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
 NOTES TO FINANCIAL STATEMENTS  
 December 31, 2023, 2022, and 2021

**NOTE 5 – TOTAL PLAN BENEFIT OBLIGATIONS** (Continued)

The following are significant assumptions used in the valuations:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Mortality	Pri-2012 headcount weighted mortality table with fully generational mortality projection starting in 2012 using improvement scale MP-2021	Pri-2012 headcount weighted mortality table with fully generational mortality using mortality projection starting in 2012 using mortality improvement scale MP-2021	Pri-2012 headcount weighted mortality table with fully generational mortality using mortality projection starting in 2012 using mortality improvement scale MP-2021
Average Retirement Age	62	62	62
Discount Rate	5.07%	5.25%	2.84%
Rate of compensation increases	3.50%	3.50%	3.50%
Disabled Mortality	Pri-2012 headcount weighted disabled mortality table with fully generational mortality projection starting in 2012 using mortality improvement scale MP-2021	Pri-2012 headcount weighted disabled mortality table with fully generational mortality projection starting in 2012 using mortality improvement scale MP-2021	Pri-2012 headcount weighted disabled mortality table with fully generational mortality projection starting in 2012 using mortality improvement scale MP-2021

The following table presents the components of the Plan's benefit obligations as of December 31:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Amounts currently payable:			
Premiums due to insurers	\$ 1,576	\$ 186	\$ -
Death benefit obligations:			
Current retirees	-	-	97,143,000
Other participants, fully eligible for benefits	718,000	619,000	3,755,000
Other participants, not yet fully eligible for benefits	<u>3,297,792</u>	<u>3,030,270</u>	<u>6,572,000</u>
Total accumulated plan benefit obligations	<u>4,015,792</u>	<u>3,649,270</u>	<u>107,470,000</u>
Total benefit obligations	<u>\$ 4,017,368</u>	<u>\$ 3,649,456</u>	<u>\$ 107,470,000</u>

(Continued)

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2023, 2022, and 2021

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**NOTE 5 – TOTAL PLAN BENEFIT OBLIGATIONS (Continued)**

The following table presents changes in the Plan's benefit obligations for the year ended December 31:

	<u>2023</u>	<u>2022</u>
<b>Amounts currently payable to or for beneficiaries and dependents:</b>		
Balance at beginning of year	\$ 186	\$ -
Insurance premiums reported and approved for payment	15,861	2,699,589
Insurance premiums paid	<u>(14,471)</u>	<u>(2,699,403)</u>
Balance at end of year	1,576	186
<b>Death benefit obligations:</b>		
Balance at beginning of year	\$ 3,649,270	\$ 107,470,000
Interest cost	192,000	2,251,000
Benefits reclassified to amounts currently payable	(7,000)	(3,539,000)
Benefits earned and (gains) losses	26,522	131,270
Transfer out for Brightspeed transaction (see Note 1)	-	(99,726,000)
Change in discount rate assumption	<u>155,000</u>	<u>(2,938,000)</u>
Balance at end of year	<u>4,015,792</u>	<u>3,649,270</u>
<b>Total benefit obligations at end of year</b>	<b><u>\$ 4,017,368</u></b>	<b><u>\$ 3,649,456</u></b>

**NOTE 6 – PARTY-IN-INTEREST TRANSACTIONS**

Certain Plan assets were invested in a common trust fund managed by The Northern Trust Company, the custodian of the Plan. As described in Note 2, the Plan has several arrangements with service providers, and pays certain expenses and insurance premiums to these providers. These transactions are party-in-interest transactions under ERISA. Certain administrative functions have been performed by employees of Lumen or Brightspeed. No such employees receive compensation from the Plan. Other administrative expenses, such as for auditing and actuarial services, were paid directly by Lumen or Brightspeed.

**NOTE 7 – RISKS AND UNCERTAINTIES**

The actuarial present value of benefit obligations is determined based on certain assumptions including interest rates and employee demographics, which are subject to change. Due to uncertainties inherent in the estimations and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

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

**NOTE 8 – SUBSEQUENT EVENTS**

By the end of 2024, the VEBA trust was liquidated and there were no longer any assets held by the VEBA.

Subsequent events were evaluated through July 28, 2025, the date the financial statements were available to be issued.

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(Continued)

**SUPPLEMENTAL SCHEDULES**

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
 SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 December 31, 2023

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Name of Sponsor: Carolina Telephone and Telegraph Company Sickness Death Benefit Plan  
 Employee Identification Number: 56-0931189  
 Plan No: 539

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue</u>	<u>Description of Assets</u>	<u>Cost</u>	<u>Current Value</u>
*	The Northern Trust Company	Common Short-term Investment Fund	\$ <u>1</u>	\$ <u>1</u>
	Total Investments		<u>\$ 1</u>	<u>\$ 1</u>

\* Indicates party-in-interest to the Plan

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See independent auditor's report.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
 SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)  
 December 31, 2022

Name of Sponsor: Carolina Telephone and Telegraph Company Sickness Death Benefit Plan  
 Employee Identification Number: 56-0931189  
 Plan No: 539

(a)	(b)	(c)	(d)	(e)
	<u>Identity of Issue</u>	<u>Description of Assets</u>	<u>Cost</u>	<u>Current Value</u>
*	The Northern Trust Company	Common Short-term Investment Fund	\$ <u>1</u>	\$ <u>1</u>
	Total Investments		\$ <u>1</u>	\$ <u>1</u>

\* Indicates party-in-interest to the Plan

See independent auditor's report.

CAROLINA TELEPHONE AND TELEGRAPH COMPANY SICKNESS DEATH BENEFIT PLAN  
 SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS  
 Year Ended December 31, 2022

Name of Sponsor: Carolina Telephone And Telegraph Company Sickness Death Benefit Plan  
 Employee Identification Number: 56-0931189  
 Plan No: 539

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Sale Price	(f) Expense Incurred	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain (Loss)
<b>Category (i): Single transactions in excess of 5% of beginning Plan Assets</b>							
The Northern Trust Company	Common Short-Term Investment Fund	\$ -	\$ 746	\$ -	\$ 746	\$ 746	\$ -
The Northern Trust Company	Common Short-Term Investment Fund	\$ -	\$ 2,349	\$ -	\$ 2,349	\$ 2,349	\$ -
The Northern Trust Company	Common Short-Term Investment Fund	\$ -	\$ 750	\$ -	\$ 750	\$ 750	\$ -
<b>Category (iii): A series of transactions in the same security in excess of 5% of the current value of Plan Assets</b>							
The Northern Trust Company	Common Short-Term Investment Fund	\$ 11	\$ -	\$ -	\$ 11	\$ 11	\$ -
The Northern Trust Company	Common Short-Term Investment Fund	\$ -	\$ 3,845	\$ -	\$ 3,845	\$ 3,845	\$ -

See independent auditor's report.

<b>Plan Name</b>	<b>CAROLINA TELEPHONE &amp; TELEGRAPH CO. SICKNESS DEATH BENEFIT PLAN – VEBA</b>
<b>Plan Sponsor EIN</b>	<b>87-3811759</b>
<b>ERISA Plan #</b>	<b>502</b>
<b>Plan Year Ending</b>	<b>12/31/2023</b>

**The required attachment marked with an “X” in the Attachment column is included within the Accountant’s Opinion attachment to Sch. H, Part III, Line 3, which consists of the entire audit report issued by the plan’s Independent Qualified Public Accountant (IQPA).**

<b>Form/Schedule</b>	<b>Line #</b>	<b>Description</b>	<b>Attachment</b>
5500 Sch. H	Line 3	Financial statements used in formulating the IQPA's opinion	X
5500 Sch. H	Line 4a	Schedule of Delinquent Participant Contributions	
5500 Sch. H	Line 4i	Schedule of Assets (Held at End of Year)	X
5500 Sch. H	Line 4i	Schedule of Assets (Acquired and Disposed of Within Year)	
5500 Sch. H	Line 4j	Schedule of Reportable Transactions	