

<p style="text-align: center;">Form 5500</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p>	<p>Annual Return/Report of Employee Benefit Plan</p> <p style="font-size: x-small;">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).</p> <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	<p style="font-size: x-small;">OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: large; font-weight: bold; text-align: center;">2023</p> <hr/> <p style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</p>
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Part I Annual Report Identification Information
 For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A This return/report is for: a multiemployer plan a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.)

a single-employer plan a DFE (specify) _____

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

<p>1a Name of plan <u>SOUTH CAROLINA BANKERS EMPLOYEE BENEFIT TRUST</u></p>	<p>1b Three-digit plan number (PN) ▶ <u>503</u></p>
<p>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) <u>ANDERSON BROTHERS BANK, INC.</u></p> <p><u>P.O. BOX 310</u> <u>MULLINS, SC 29574-0310</u></p>	<p>1c Effective date of plan <u>01/01/2001</u></p> <p>2b Employer Identification Number (EIN) <u>57-0115230</u></p> <p>2c Plan Sponsor's telephone number <u>843-464-6271</u></p> <p>2d Business code (see instructions) <u>522110</u></p>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2024	ALLISON BOULWARE
	Signature of plan administrator	Date	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 <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	340
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	340
	6a(2)	354
	6b	0
	6c	0
	6d	354
	6e	
	6f	
	6g(1)	
6g(2)		
6h		
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:

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

9a Plan funding arrangement (check all that apply)	9b 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)

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**SCHEDULE 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**

A Name of plan SOUTH CAROLINA BANKERS EMPLOYEE BENEFIT TRUST	B Three-digit plan number (PN) ▶ 503
C Plan sponsor's name as shown on line 2a of Form 5500 ANDERSON BROTHERS BANK, INC.	D Employer Identification Number (EIN) 57-0115230

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

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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
57-0287419	38520	71-85418-01	354	01/01/2023	12/31/2023

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

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 0
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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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part II	Investment and Annuity Contract Information Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.
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4 Current value of plan's interest under this contract in the general account at year end	4	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

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. Specify nature of costs ▶	6d	

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

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

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

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

b Balance at the end of the previous year	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
	7c(2)	
	7c(3)	
	7c(4)	
	7c(5)	
(6) Total additions	7c(6)	0
d Total of balance and additions (add lines 7b and 7c(6))	7d	
e Deductions: (1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
	7e(2)	
	7e(3)	
	7e(4)	
	(5) Total deductions	7e(5)
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)	2547221	
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3)).....	9a(4)		2547221
b Benefit charges (1) Claims paid.....	9b(1)	2838976	
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2)).....	9b(3)		2838976
(4) Claims charged	9b(4)		2838976
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)	304006	
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention	9c(1)(H)		304006
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)	9c(2)		
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement	9d(1)		
(2) Claim reserves	9d(2)		
(3) Other reserves.....	9d(3)		
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)	9e		

10 Nonexperience-rated contracts:

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

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. ▶

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

A Name of plan SOUTH CAROLINA BANKERS EMPLOYEE BENEFIT TRUST	B Three-digit plan number (PN) ▶	503
C Plan sponsor's name as shown on line 2a of Form 5500 ANDERSON BROTHERS BANK, INC.	D Employer Identification Number (EIN) 57-0115230	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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57-0287419

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12	NONE	179481	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

HUB INTERNATIONAL

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12	NONE	8818	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

THE BENEFIT COMPANY

PO BOX 211486
COLUMBIA, SC 29221

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	ADMINISTRATOR	7745	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

J.W. HUNT AND COMPANY LLP

57-0138290

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	5455	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A Name of plan SOUTH CAROLINA BANKERS EMPLOYEE BENEFIT TRUST	B Three-digit plan number (PN) ▶ 503
C Plan sponsor's name as shown on line 2a of Form 5500 ANDERSON BROTHERS BANK, INC.	D Employer Identification Number (EIN) 57-0115230

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

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a	16758	12438
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	105156	144254
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1610694	926552
(2) U.S. Government securities	1c(2)	62360	64010
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1794968	1147254
Liabilities			
g Benefit claims payable	1g	283130	295358
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	283130	295358
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	1511838	851896

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)	3471437	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		3471437
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			44721
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	44721	
(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)		
(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)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		3516158

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3589410	
(2) To insurance carriers for the provision of benefits.....	2e(2)	343275	
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3932685
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
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)	243415	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		243415
j Total expenses. Add all expense amounts in column (b) and enter total	2j		4176100

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-659942
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **ELLIOTT DAVIS, LLC/PLLC**

(2) EIN: **57-0381582**

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.)		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.)		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.)		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.)		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?		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?		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.)	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.)		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?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		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.		X	

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 _____.

**Anderson Brothers Bank
Welfare Plan**

Report on Financial Statements

For the year ended December 31, 2023

Anderson Brothers Bank Welfare Plan

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Independent Auditor's Report

The Audit Committee of
Anderson Brothers Bank Welfare Plan
Mullins, South Carolina

Opinion

We have audited the financial statements of Anderson Brothers Bank Welfare 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 and statements of Plan's benefit obligations as of December 31, 2023 and 2022, the related statement of changes in net assets available for benefits and statement of changes in plan benefit obligations for 2023, and the related notes to the financial statements (collectively, the "financial statements").

We did not audit the financial statements of South Carolina Bankers' Employee Benefit Trust (the "VEBA Trust"), a multiple employer plan, of which the Plan owns a percentage interest. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the VEBA Trust, is based solely on the report of other auditors.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits and statement of Plan's benefit obligations of the Plan as of December 31, 2023 and 2022, and the change its net assets available for benefits and statement of changes in plan benefit obligations for the year ended December 31, 2023, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of 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 that 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 the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Responsibilities of Management for the Financial Statements, Continued

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

Auditor's Responsibilities for the Audit for the 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.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2023 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA). Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with Generally Accepted Auditing Standards (GAAS).

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the 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, in relation to 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 Disclosures under ERISA.

Elliott Davis, LLC

Greenville, South Carolina
October 15, 2024

Anderson Brothers Bank Welfare Plan

Statements of Net Assets Available for Benefits

As of December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Cash, non-interest bearing	\$ 12,438	\$ 16,758
Investments at fair value (See Note 3)		
Certificates of deposit	126,286	124,940
Government securities	64,010	62,360
Interest-bearing cash	<u>800,266</u>	<u>1,485,755</u>
Total investments, at fair value	<u>990,562</u>	<u>1,673,055</u>
Accounts receivable	143,516	104,419
Prepaid expenses	<u>738</u>	<u>736</u>
Total assets	<u>1,147,254</u>	<u>1,794,968</u>
Liabilities		
Accounts payable	<u>998</u>	<u>1,610</u>
Total liabilities	<u>998</u>	<u>1,610</u>
Net assets available for benefits	<u>\$ 1,146,256</u>	<u>\$ 1,793,358</u>

See Notes to Financial Statements

Anderson Brothers Bank Welfare Plan

Statement of Changes in Net Assets Available for Benefits

For the year ended December 31, 2023

Additions

Contributions	\$ 2,547,221
Interest and commissions	44,703
Change in ownership percentage	<u>3,663</u>
Total additions	<u>2,595,587</u>

Deductions

Payments for claims and premiums	
Health and dental claims	2,655,764
Dental premiums	79,215
Vision premiums	16,141
Life premiums	78,092
Long-term disability premiums	38,114
Short-term disability premiums	2,947
Stop-loss premiums	128,903
Other	<u>10,881</u>
Total payments for claims and premiums	<u>3,010,057</u>
Administrative expenses	<u>232,632</u>
Total deductions	<u>3,242,689</u>
Net decrease	(647,102)

Net assets available for benefits, beginning of year	<u>1,793,358</u>
Net assets available for benefits, end of year	<u>\$ 1,146,256</u>

See Notes to Financial Statements

Anderson Brothers Bank Welfare Plan

Statements of Plan's Benefit Obligations

As of December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Accounts currently payable		
Health claims payable to or for participants, beneficiaries and dependents, and claims incurred but not reported	\$ 294,360	\$ 281,520
Total Plan's benefit obligations	<u>\$ 294,360</u>	<u>\$ 281,520</u>

See Notes to Financial Statements

Anderson Brothers Bank Welfare Plan
Statement of Changes in Plan's Benefit Obligations
For the year ended December 31, 2022

Amounts currently payable

Balance at beginning of year	\$	281,520
Change in ownership percentage		(922,248)
Claims reported and approved for payment, including benefits reclassified from benefit obligations		3,590,852
Health and dental claims paid		<u>(2,655,764)</u>
Total Plan's benefit obligations at end of year	\$	<u>294,360</u>

See Notes to Financial Statements

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 1. Description of the Plan

The following description of the Anderson Brothers Bank (the "Bank") Welfare Plan (the "Plan") provides only general information. Unless otherwise noted, the financial statements and supplemental schedule of the Plan represent only the percentage interest of the Plan in the South Carolina Bankers' Employee Benefit Trust, a voluntary employees' beneficiary association trust (the "VEBA Trust"), a multiple employer plan. The percentage interest was 24.53% and 24.48% as of December 31, 2023 and 2022, respectively. The effect of the change in ownership percentage is reflected in the accompanying statements of changes in net assets available for benefits and changes in Plan's benefit obligations. Participants should refer to the VEBA Trust agreement for a more complete description of the Plan's provisions.

General:

The Plan provides health and other benefits to substantially all employees of the Bank. Certain plan assets are held in the VEBA Trust. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Benefits:

The Plan provides health benefits (medical, dental, and vision), life insurance, and long-term disability benefits to full-time participants and to their beneficiaries and covered dependents. A full-time participant is an employee who works at least 30 hours per week and at least 48 weeks per year. The Plan also covers retirees who are at least 55 years of age but less than 65 years of age, with a minimum of 10 years continuous employment with the Bank, and who are eligible under the Bank's retirement plan to take early retirement. The Plan also provides continuation of certain benefits upon termination of employment through the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

Insured benefits:

The Plan fully insures the life insurance benefits (basic, supplemental, and dependent), and short and long-term disability benefits. The VEBA Trust purchases annual insurance contracts for these insured benefits. Premiums for these insured benefits are paid from the assets of the VEBA Trust.

Stop loss coverage:

The VEBA Trust has entered into a stop-loss insurance arrangement in an effort to limit its exposure for self-insured benefits on individual participant claims over \$300,000.

Self-insured benefits:

All other Plan benefits are self-insured. The claims for self-insured benefits are processed by the VEBA Trust's third-party claims processors under administrative services only ("ASO") arrangements. The claims processors pay claims directly to or on behalf of participants and are then reimbursed by the VEBA Trust. Despite the VEBA Trust's utilization of third-party claim's processors, ultimate responsibility for payments to providers and participants is retained by the VEBA Trust. The VEBA Trust periodically receives prescription drug refunds based on its actual utilization pattern of specific drugs.

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 1. Description of the Plan, Continued

Contributions:

The Bank makes monthly contributions to the Plan for individual coverage of all eligible employees. Employees may contribute additional amounts for coverage of eligible dependents. All contributions are based on rates approved by the trustees of the VEBA Trust. In the event of a deficiency in the VEBA Trust's net assets over benefit obligations, deficiencies are expected to be funded through future increases in the contribution rates as determined by the VEBA Trust.

Participating employers who exit the VEBA Trust are required to pay for actual claims incurred during the 6-month period immediately following their exit. Run-out premiums are calculated based on 2.5 times the average premiums paid for the preceding 12 months. The exiting employer can either pay the run-off premium in a lump sum or in 6 equal installments over the first 180 days after withdrawal from the VEBA Trust. The run-off premiums are used to pay claims received after the employer leaves the VEBA Trust. At the end of the 6-month run-out period, the former employer is not liable if the claims paid exceed the run-off premium paid. The Bank has expressed no intention to withdraw from the VEBA Trust as of the date of these financial statements.

Termination:

The VEBA Trust and the participating employers have the right under the Plan to modify the benefits provided to, and contributions required of, participants, to discontinue their contributions at any time, and to terminate the Plan or VEBA Trust subject to the provisions of ERISA. In the event of termination of the VEBA Trust, remaining assets will be applied in a uniform nondiscriminatory manner toward the provision of benefits for or on account of the participants. No assets of the VEBA Trust may revert to the participating employers or be used for purposes other than for the exclusive benefit of the VEBA Trust's participants.

Note 2. Summary of Significant Accounting Policies and Activities

Basis of accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting.

Investment valuation and income recognition:

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's board of trustees (Trustees) determine Plan's valuation policies and procedures. See Note 3 for discussion of fair value measurements.

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

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 2. Summary of Significant Accounting Policies and Activities, Continued

Payment of benefits:

Premiums paid by the VEBA Trust are recorded as premium payments in the accompanying statement of changes in net assets available for benefits.

Claim payments are recorded when paid by the VEBA Trust's third-party claims processor in the accompanying statements of changes in net assets available for benefits and changes in Plan's benefit obligations. Amounts due to claims processors that have yet to be reimbursed by the Plan are recorded as payable to claims administrators in the accompanying statements of net assets available for benefits.

Stop loss premiums:

Premiums for stop loss insurance recorded in the accompanying statement of changes in net assets available for benefits represent the Plan's share of stop loss premiums paid by the VEBA Trust. Stop loss refunds received in 2023 have been netted with claims paid in the accompanying statement of changes in net assets available for benefits and of Plan's benefit obligations.

Pharmacy rebates:

The Plan utilizes a pharmacy benefit manager ("PBM") who periodically makes refunds to the Plan based on the Plan's actual utilization pattern of specific drugs. Rebates due from the Plan's PBM are recorded when earned. Rebates due as of the financial statement date have been reported as a receivable, with the offset being netted against claims paid.

Claims incurred but not reported:

Plan obligations at December 31, 2023 and 2022 for health claims incurred by active participants but not reported at that date are estimated by the VEBA Trust on the basis of past loss experience using claims data provided by the VEBA Trust's third-party claims administrator. These amounts are reported in the accompanying statements of the Plan's benefit obligations and are paid by the Plan only if claims are submitted and approved for payment.

Use of estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, benefit obligations, and changes therein, claims incurred but not reported, claims payable, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 2. Summary of Significant Accounting Policies and Activities, Continued

Change in ownership percentage:

The percentage interest in the VEBA Trust for the Bank is calculated on an annual basis. The percentage is a ratio of the number of employees from the Bank that are participating in the Plan compared to the total number of participants in the VEBA Trust. The annual change is shown as either an addition or deduction from net assets available for benefits and Plan's benefit obligations in the Bank's percentage interest in the VEBA Trust.

Administrative expenses:

Administrative expenses represent the Plan's percentage ownership of fees paid by the VEBA Trust. The Bank pays all professional fees, which include any fees paid to the Plan's legal counsel and independent auditors.

Subsequent events:

The Plan has evaluated subsequent events through October 15, 2024, the date the financial statements were available to be issued.

Recently issued accounting pronouncements:

Accounting standards that have been issued or proposed by the Financial Accounting Standards Board (FASB) or other standards-setting bodies are not expected to have a material impact on the Plan's net assets or changes in net assets.

Reclassification

Certain reclassifications have been made to prior years' financial statements in order to conform with the current year presentation.

Note 3. Fair Value Measurements

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

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

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 3. Fair Value Measurements, Continued

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in these methodologies used at December 31, 2023 and 2022.

Certificates of deposit – Valued at amortized cost plus accrued interest, which approximates fair value.

Government securities – Valued at the closing price reported in the active market in which the security is traded, if available. If such information is not available, securities are valued based on yields currently available on comparable securities for issuers with similar credit ratings.

Interest-bearing cash – Valued at cost, which approximates fair value, due to its short-term maturity.

The following table set forth by level, within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2023 and 2022:

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 126,286	\$ -	\$ 126,286
Government securities	64,010	-	-	64,010
Interest-bearing cash	800,266	-	-	800,266
Total assets at fair value	<u>\$ 864,276</u>	<u>\$ 126,286</u>	<u>\$ -</u>	<u>\$ 990,562</u>

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 3. Fair Value Measurements, Continued

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 124,940	\$ -	\$ 124,940
Government securities	62,360	-	-	62,360
Interest-bearing cash	1,485,755	-	-	1,485,755
Total assets at fair value	<u>\$ 1,548,115</u>	<u>\$ 124,940</u>	<u>\$ -</u>	<u>\$ 1,673,055</u>

The VEBA Trust maintains certificates of deposits with various high-quality financial institutions. At times, the balance of the VEBA Trust's certificates of deposits may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limits. The Board of Trustees of the VEBA Trust believe that no significant concentration of credit risk exists with respect to these investments.

Note 4. Line of Credit

To provide for its normal working capital needs, the VEBA Trust maintains a credit line with The Citizens Bank with a maximum availability of \$2,000,000. The line of credit bears interest at the lender's prime rate. No balance was outstanding as of December 31, 2023 or 2022.

Note 5. Tax Status

The VEBA Trust received an exemption letter from the IRS dated December 5, 1984, stating that the VEBA Trust is tax-exempt under the provisions of Section 501(c)(9) of the Internal Revenue Code ("IRC"). However, as a result of the Plan's funding policy, from time to time the VEBA Trust may be subject to income taxes. No federal or state income taxes have been recorded in 2023 and 2022 for unrelated business taxable income.

In addition, the Plan and the VEBA Trust are required to operate in conformity with the IRC to maintain the tax-exempt status of the VEBA Trust. The plan administrator and the Plan's tax counsel believe that the Plan is being operated in compliance with the applicable requirements of the IRC and, therefore, believe that the related VEBA trust is tax-exempt.

The plan administrator has determined that there are no uncertain 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. Generally, the Plan's tax returns remain open for three years to federal income tax examination.

Note 6. Party-in-Interest Transactions

As discussed in Note 4, The Citizens Bank provides a line of credit for the VEBA Trust. The VEBA Trust did not incur any interest expense on this line of credit during the year ended December 31, 2023.

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 6. Party-in-Interest Transactions

The VEBA Trust maintains bank accounts with The Citizens Bank, Carolina Bank and Trust Company, and Pickens Savings and Loan Association. All of these institutions are participating employers in the Plan.

The members of the Board of Trustees of the VEBA Trust are currently participating members of the VEBA Trust, and an officer of the Independent Banks of South Carolina serves as an administrator of the VEBA Trust.

Note 7. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

	<u>2023</u>	<u>2022</u>
Net assets available for benefits per the financial statements	\$ 1,146,256	\$ 1,793,358
Less: benefit obligations payable	<u>(294,360)</u>	<u>(281,520)</u>
Net assets per the Form 5500	<u>\$ 851,896</u>	<u>\$ 1,511,838</u>

The following is a reconciliation of the net increase in net assets per the financial statements to net income per Form 5500 for the year ended December 31, 2023:

Net decrease in net assets available for benefits per the financial statements	\$ (647,102)
Less: benefit obligations payable at December 31, 2023	(294,360)
Add: benefit obligations payable at December 31, 2022	<u>281,520</u>
Net loss per the Form 5500	<u>\$ (659,942)</u>

Amounts currently payable to or for participants, beneficiaries and dependents are recorded on the Form 5500 for benefit claims that have been processed and approved for payment prior to December 31, 2023 and 2022 but not yet paid, and for claims that have been incurred but not reported as of those dates.

Note 8. Risks and Uncertainties

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

The value of benefit obligations is reported based on certain assumptions pertaining to past loss experience and employee demographics, which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

Anderson Brothers Bank Welfare Plan

Notes to Financial Statements

December 31, 2023 and 2022

Note 9. Termination of the Plan

Although they have not expressed any intention to do so, the VEBA Trust and the participating employers have the right under the Plan to modify the benefits provided to, and contributions required of participants, to discontinue their contributions at any time, and to terminate the Plan or the VEBA Trust subject to the provisions of ERISA. In the event of termination of the VEBA Trust, remaining assets will be applied in a uniform and nondiscriminatory manner toward the provision of benefits for or on account of the participants. No assets of the Plan may revert to the VEBA Trust and the participating employers or be used for purposes other than for the exclusive benefit of the Plan's participants.

Anderson Brothers Bank Welfare Plan

EIN 57-0115230; Plan No. 503

Schedule H, Line 4i - Schedule of Assets (Held at End of Year) As of December 31, 2023

(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
*	The Citizens Bank	Demand deposit account	\$ 798,190	\$ 798,190
*	LPL Financial (The Citizens Bank)	Cash Account	2,076	2,076
	Government securities			
*	LPL Financial (The Citizens Banks)	U.S. Treasury note, 2.125%, matures 3/31/2024	64,518	64,010
	Certificates of deposit:			
*	Pickens Savings and Loan Association	Certificate of deposit, 4.75%, matures 12/13/2023	61,421	61,564
*	Carolina Bank & Trust Company	Certificate of deposit, 4.35%, matures 09/06/2024	63,839	64,722
			<u>\$ 990,044</u>	<u>\$ 990,562</u>

* Indicates a party-in-interest

The above amounts represent the Plan's percentage interest of the VEBA Trust's investments.

Anderson Brothers Bank Welfare Plan

EIN 57-0115230; Plan No. 503

Schedule H, Line 4i - Schedule of Assets (Held at End of Year) As of December 31, 2023

(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
*	The Citizens Bank	Demand deposit account	\$ 798,190	\$ 798,190
*	LPL Financial (The Citizens Bank)	Cash Account	2,076	2,076
	Government securities			
*	LPL Financial (The Citizens Banks)	U.S. Treasury note, 2.125%, matures 3/31/2024	64,518	64,010
	Certificates of deposit:			
*	Pickens Savings and Loan Association	Certificate of deposit, 4.75%, matures 12/13/2023	61,421	61,564
*	Carolina Bank & Trust Company	Certificate of deposit, 4.35%, matures 09/06/2024	63,839	64,722
			<u>\$ 990,044</u>	<u>\$ 990,562</u>

* Indicates a party-in-interest

The above amounts represent the Plan's percentage interest of the VEBA Trust's investments.



Plan Name: South Carolina Bankers Employee Benefit Trust

Plan Sponsor: Anderson Brothers Bank, Inc.

Plan Number: 503

EIN: 57-0115230

Anderson Brothers Bank, Inc. was a participant in the South Carolina Bankers Employee Benefit Trust until 12/31/23. This plan is being marked final with ending assets and participants. Upon guidance from the SCBEBT ERISA Attorney's, each plan that participates in the trust also files its own 5500 showing their share of plan assets. No assets reverted from Anderson Brothers Bank to the trust. The bank ended its participation in the trust to obtain their own employee benefit arrangement.

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