

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

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

- A This return/report is for: a multiemployer plan, a multiple-employer plan, a single-employer plan, a DFE, the first return/report, the final return/report, an amended return/report, a short plan year return/report.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report.
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.
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: RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 003
1c Effective date of plan: 01/01/2015
2a Plan sponsor's name, mailing address, city or town, state or province, country, and ZIP or foreign postal code.
2b Employer Identification Number (EIN): 47-4584720
2c Plan Sponsor's telephone number: 270-781-6609
2d Business code (see instructions): 238900

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.

Form 5500 (2024) v. 240311

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	323
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)	242
	6a(2)	203
	6b	52
	6c	32
	6d	287
	6e	1
	6f	288
	6g(1)	251
	6g(2)	285
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2I 2P 3I 2Q

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

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input 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 checked="" 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 type="checkbox"/> A (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____	(4) <input 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 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <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.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024			
A Name of plan RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">B Three-digit plan number (PN) ►</td> <td style="width:20%; text-align:center;">003</td> </tr> </table>	B Three-digit plan number (PN) ►	003
B Three-digit plan number (PN) ►	003		
C Plan sponsor's name as shown on line 2a of Form 5500 RCSS HOLDINGS, INC.	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">D Employer Identification Number (EIN) 47-4584720</td> </tr> </table>	D Employer Identification Number (EIN) 47-4584720	
D Employer Identification Number (EIN) 47-4584720			

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	11900	12468
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	60	0
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	56149386	52607133
(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	56161346	52619601
Liabilities			
g Benefit claims payable.....	1g	60	0
h Operating payables.....	1h	11900	12468
i Acquisition indebtedness.....	1i	12478402	12102554
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	12490362	12115022
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	43670984	40504579

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)	1602235	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		1602235
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-3542253	
(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		-1940018

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	703936	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		703936
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		518281
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)	4170	
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses.....	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		4170
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1226387

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-3166405
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: JONES, NALE & MATTINGLY, PLC

(2) EIN: 61-0420207

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		1000000
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.			

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

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

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

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

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

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>RCSS HOLDINGS, INC.</u>	D Employer Identification Number (EIN) <u>47-4584720</u>	

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

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

1		0
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2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
 EIN(s): 58-1428634

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

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

3	
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Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

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

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

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

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

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

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

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? Yes No

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
 Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%
 High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
 0-5 years 5-10 years 10-15 years 15 years or more

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

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

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:
 Yes.
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.
 No. Other. Provide explanation: _____

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).
 Design-based safe harbor method
 "Prior year" ADP test
 "Current year" ADP test
 N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.

RCSS HOLDINGS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
FINANCIAL REPORT
December 31, 2024

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Jones, Nale & Mattingly PLC

INDEPENDENT AUDITOR'S REPORT

To the Trustee of RCSS Holdings, Inc. Employee Stock Ownership Plan
RCSS Holdings, Inc., Administrator and Plan Participants
RCSS Holdings, Inc. Employee Stock Ownership Plan
Bowling Green, Kentucky

Opinion

We have audited the accompanying financial statements of RCSS Holdings, Inc. Employee Stock Ownership 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, 2024 and 2023, and the related statement of changes in net assets available for benefits for the year ended December 31, 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of RCSS Holdings, Inc. Employee Stock Ownership Plan as of December 31, 2024 and 2023, and the changes in its net assets available for benefits for the year ended December 31, 2024, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RCSS Holdings, Inc. Employee Stock Ownership 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 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 RCSS Holdings, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of RCSS Holdings, Inc. Employee Stock Ownership 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 RCSS Holdings, Inc. Employee Stock Ownership 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) is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of 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.

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

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

Jones, Nale & Mattingly PLC

Louisville, Kentucky
October 3, 2025

RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2024 and 2023

	2024		
	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ASSETS			
Cash equivalents	\$ 12,468	\$ --	\$ 12,468
Employer contribution receivable	--	--	--
Investment in RCSS Holdings, Inc. common stock, at fair value	<u>18,003,965</u>	<u>34,603,168</u>	<u>52,607,133</u>
TOTAL ASSETS	<u>18,016,433</u>	<u>34,603,168</u>	<u>52,619,601</u>
LIABILITIES			
Note payable	--	12,102,554	12,102,554
Distributions payable	--	--	--
Fees payable	<u>12,468</u>	<u>--</u>	<u>12,468</u>
TOTAL LIABILITIES	<u>12,468</u>	<u>12,102,554</u>	<u>12,115,022</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 18,003,965</u>	<u>\$ 22,500,614</u>	<u>\$ 40,504,579</u>

The Notes to Financial Statements are an integral part of these statements.

2023		
<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
\$ 11,900	\$ --	\$ 11,900
60	--	60
<u>17,369,112</u>	<u>38,780,274</u>	<u>56,149,386</u>
<u>17,381,072</u>	<u>38,780,274</u>	<u>56,161,346</u>
--	12,478,402	12,478,402
60	--	60
<u>11,900</u>	<u>--</u>	<u>11,900</u>
<u>11,960</u>	<u>12,478,402</u>	<u>12,490,362</u>
<u><u>\$ 17,369,112</u></u>	<u><u>\$ 26,301,872</u></u>	<u><u>\$ 43,670,984</u></u>

RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2024**

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ADDITIONS TO NET ASSETS			
Investment income:			
Net unrealized depreciation in fair value of investments	<u>\$ (1,095,752)</u>	<u>\$ (2,446,501)</u>	<u>\$ (3,542,253)</u>
Contributions:			
Employer contributions	708,106	894,129	1,602,235
Allocation of 527.5656 shares of common stock of RCSS Holdings, Inc. at fair value	<u>1,730,605</u>	<u>- -</u>	<u>1,730,605</u>
	<u>2,438,711</u>	<u>894,129</u>	<u>3,332,840</u>
 Total additions to (reductions in) net assets	 <u>1,342,959</u>	 <u>(1,552,372)</u>	 <u>(209,413)</u>
DEDUCTIONS FROM NET ASSETS			
Distributions to participants	703,936	- -	703,936
Distribution fees	4,170	- -	4,170
Interest expense	- -	518,281	518,281
Allocation of 527.5656 shares of common stock of RCSS Holdings, Inc. at fair value	<u>- -</u>	<u>1,730,605</u>	<u>1,730,605</u>
Total deductions from net assets	<u>708,106</u>	<u>2,248,886</u>	<u>2,956,992</u>
 Net increase (decrease)	 634,853	 (3,801,258)	 (3,166,405)
NET ASSETS AVAILABLE FOR BENEFITS			
Beginning	<u>17,369,112</u>	<u>26,301,872</u>	<u>43,670,984</u>
Ending	<u>\$ 18,003,965</u>	<u>\$ 22,500,614</u>	<u>\$ 40,504,579</u>

The Notes to Financial Statements are an integral part of this statement.

RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description

The following brief description of the RCSS Holdings, Inc. Employee Stock Ownership Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

RCSS Holdings, Inc. (the Company) established the Plan effective as of January 1, 2015. Effective January 1, 2019, the Plan was amended to include employees of Charbon Contracting, LLC subject to the eligibility and vesting requirements of the Plan, and to allow distributions to be made to inactive participants prior to a five-year waiting period. The Plan operates, in relevant part, as a leveraged employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (the Code) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by the ESOP Benefits Committee (the Committee) comprised of three individuals appointed by the Company's board of directors. Horizon Bank d/b/a Horizon Trust & Investment Management was the Plan's trustee. During 2021, GreatBanc Trust Company (Trustee) was appointed successor trustee of the Plan by the Company's board of directors.

On July 31, 2015, the Plan acquired 100% of the Company's outstanding common stock for \$16,037,000. In order to fund the acquisition of the common stock by the Plan from its shareholders, the Company obtained a loan from a commercial bank for \$8,200,000 and loaned the proceeds to the Plan. In addition, the Company assumed a total obligation of \$7,037,000 in the form of subordinated notes payable to the former shareholders of the Company. The Company also advanced the Plan \$800,000 for the remainder of the total purchase price. During the year ended December 31, 2017, the \$8,200,000 loan was paid in full. During the year ended December 31, 2018, the \$7,037,000 subordinated notes payable were paid in full with the issuance of notes payable to a commercial bank.

In conjunction with these transactions, the Plan issued a note payable in the amount of \$16,037,000 to the Company (See Note 7) which was equal to the purchase price of the common stock. The note payable is to be repaid over thirty years by Company contributions to a trust fund. The trust fund was established by the Plan and holds the common stock. As the Plan makes each payment of principal, an appropriate percentage of common stock will be allocated to eligible employees' account in accordance with applicable regulations under the Code. Shares fully vest upon six years after allocation.

The note payable is collateralized by the unallocated shares of common stock and is guaranteed by the Company. Accordingly, the financial statements of the Plan as of December 31, 2024 and 2023 and for the year ended December 31, 2024, present separately the assets and liabilities and changes therein pertaining to:

1. The accounts of employees with vested rights in allocated common stock (Allocated).
2. Common stock not yet allocated to employees (Unallocated).

NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description (Continued)

Eligibility

Employees of the Company and its subsidiaries, Reynolds Sealing and Striping, Inc., Central Seal Company, and Charbon Contracting, LLC, are eligible to participate in the Plan after one year of service provided they worked at least 1,000 hours during such plan year and are over the age of 18. Participants are eligible for an allocation of Company contributions at the end of a plan year provided they have at least 1,000 hours of service during the plan year, have attained the age of 18, and are employed by the Company or its subsidiaries at the end of the plan year, unless employment is terminated due to retirement, disability or death. If, as a result of excluding participants with less than 1,000 hours or who were not employed as of the last day of the plan year, the Plan fails to comply with the ratio percentage test, then these participants will be considered eligible participants to the extent necessary to satisfy the ratio percentage test, as determined by the greatest number of hours of service worked during the plan year.

Employer Contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its note payable (See Note 7). The Company may also make discretionary contributions to the Plan, as determined by the Committee, to purchase stock and provide for payment of distributions and administrative expenses. The Company contributed \$1,602,235 to the Plan in 2024.

Payment of Benefits

Distributions will be made in the form of whole shares of Company common stock, with cash equal to the value of any fractional shares. Distribution of balances in a participant's account will be made to, or for the benefit of the participant or, in the case of the participant's death, to or for the benefit of the participant's beneficiary, as directed by the Plan administrator, in the form of substantially equal annual installments over a period not to exceed five years. However, each such installment shall be in an amount at least equal to the lesser of \$5,000 or the remaining balance in the participant's accounts, even if this results in a complete distribution in a period less than five years.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. Such direction shall be made so that it is known only to the Trustee and not to any officer or other employee of the Company. If a participant is entitled to so direct the Trustee, all allocated company stock as to which such instructions have been received (which may include instruction to abstain) shall be voted by the Trustee in accordance with such instructions, provided that the Trustee may vote the shares as it determines necessary to fulfill his fiduciary duties under ERISA. The Trustee shall vote in his discretion any shares of company stock held in the loan suspense account, and any allocated shares of company stock as to which no voting instructions have been received, subject to his fiduciary duties under ERISA.

NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description (Continued)

Plan Termination

The Company reserves the right to amend or terminate the Plan and the Trust agreement at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Internal Revenue Code (IRC). Upon termination of the Plan, the Committee should direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan.

Participant Accounts and Forfeitures

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non vested accounts. Only those participants who are eligible to receive a Company contribution will receive an allocation. Allocations are based on a participant's allocation points, relative to total allocation points credited to all eligible participants. Each eligible participant who has more than five years of service shall be credited with 500 allocation points for each such year of service. Each eligible participant shall be credited with one allocation point for each one dollar of the eligible participant's compensation for the Plan. Plan earnings are allocated to each participant's account based on the ratio of the participant's beginning of the year account balance to all participants' beginning of the year account balances.

Upon termination of employment, any portion of the final balance in a participant's account which is not vested will be forfeited as of the allocation date of the plan year in which the participant incurs a one-year break in service. All forfeitures will be reallocated to the accounts of remaining participants as of the allocation date of the plan year in which a one-year break in service occurs. If a participant is reemployed prior to the occurrence of five consecutive one-year breaks in service, the portion of the participant's account that was previously forfeited shall be restored as if there had been no forfeiture. Such restoration shall be made out of forfeitures occurring in the plan year of reemployment. To the extent that such forfeitures are not sufficient, the Company shall make a special contribution to the participant's restored account. Forfeitures of terminated non-vested account balances allocated to remaining participants or used to restore previously forfeited accounts were 40.2716 and 81.4101 shares of common stock of the Company as of December 31, 2024 and 2023, respectively.

Vesting

If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company. After two years of service, participants vest 20% per year of service and are 100% vested after six years of service. If a participant's employment with the Company is terminated because of retirement, disability or death, the balances of all the participant's account shall be nonforfeitable and shall be distributed to the participant or beneficiary.

NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description (Continued)

Put Option

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

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company stock into investments which are more diversified. Participants who are at least age 55 and have completed at least ten years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of their allocated shares acquired by the Plan after January 1, 2015, within 90 days after the last day the year. In the sixth year, the percentage changes to 50%. Participants who elect to diversify may receive a cash distribution, or have the eligible amount rolled-over into another qualified retirement plan. If the value of a participant's ESOP stock account is \$500 or less the provision does not apply.

Note 2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires the Plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The common stock of the Company is recorded at fair value on December 31, 2024 and 2023. Fair value is determined by an annual independent appraisal.

Interest income is recognized when earned. Dividend income is recorded on the ex-dividend date. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are recognized upon the sale of the related securities and are reported on the average cost method. Unrealized appreciation or depreciation is recognized at period end when the carrying values of the related securities are adjusted to their estimated fair value.

NOTES TO FINANCIAL STATEMENTS

Note 2. Summary of Significant Accounting Policies (Continued)

Operating Expenses

Fees related to the administration of distributions are charged directly to the participant's account and are included in distribution fees. All other expenses related to maintaining the Plan are paid by the Company. These administrative expenses include consulting, auditing and other administrative fees. The Company does not intend to request a reimbursement from the Plan.

Subsequent Events

Management has evaluated subsequent events through October 3, 2025 the date the financial statements were available to be issued.

Note 3. Fair Value Measurements

U.S. GAAP provides a framework for fair value measurements. 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 market participants at the measurement date. The methodology for measuring fair value specifies a three-tier hierarchy of valuation techniques based upon whether the inputs to those valuation techniques are based on quoted prices of identical assets or liabilities (Level 1), significant other observable inputs (Level 2), or significant other unobservable inputs that reflect the Plan's own assumptions of market participant valuation (Level 3).

The tables below segregate all financial assets and liabilities as of December 31, 2024 and 2023 that are measured at fair value on a recurring basis (at least annually) into the most appropriate level within the fair value hierarchy based on the inputs used to determine the fair value at the measurement date:

	Balance at December 31, 2024	Fair value measurements using:		
		Level 1	Level 2	Level 3
Investment in				
Company common stock	\$ 52,607,133	\$ --	\$ --	\$ 52,607,133
Cash equivalents	12,468	12,468	--	--
Total investments	<u>\$ 52,619,601</u>	<u>\$ 12,468</u>	<u>\$ --</u>	<u>\$ 52,607,133</u>

	Balance at December 31, 2023	Fair value measurements using:		
		Level 1	Level 2	Level 3
Investment in				
Company common stock	\$ 56,149,386	\$ --	\$ --	\$ 56,149,386
Cash equivalents	11,900	11,900	--	--
Total investments	<u>\$ 56,161,286</u>	<u>\$ 11,900</u>	<u>\$ --</u>	<u>\$ 56,149,386</u>

NOTES TO FINANCIAL STATEMENTS

Note 3. Fair Value Measurements (Continued)

In addition to quoted market prices in active markets, a description of the valuation techniques used for assets measured at fair value is set forth below:

Investment in Company common stock

The fair value of the Company's common stock held by the Plan is valued at estimated fair value based upon an independent appraisal. This appraisal was based upon a combination of two income-based valuation techniques. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables and estimated fair value of Company assets and liabilities.

The following table represents the valuation techniques used to measure fair value, and the significant unobservable inputs:

Description	Valuation Techniques	Unobservable Inputs
16,037.0000 shares of common stock, RCSS Holdings, Inc.	Discounted Cash Flow Method	Equity risk premium Company risk premium Sustainable growth rate Projected cash flows
	Capitalized Cash Flow Method	Equity risk premium Company risk premium Sustainable growth rate

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

A reconciliation of the beginning and ending balances of assets measured at fair value using Level 3 inputs for the year ended December 31, 2024 is as follows:

	Fair value measurements using significant unobservable inputs
Balance at January 1, 2024	\$ 56,149,386
Unrealized depreciation	(3,542,253)
Balance at December 31, 2024	<u>\$ 52,607,133</u>

NOTES TO FINANCIAL STATEMENTS

Note 4. Tax Status

The Plan obtained its determination letter on February 5, 2018, in which the Internal Revenue Service (IRS) stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires the Plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by tax authorities until the expiration of the related statute of limitations, which is generally three years. There are currently no audits for any tax periods in progress.

Note 5. Administration of Plan Assets

The Plan's assets, which consist of Company common stock, are held by the Trustee of the Plan.

Company contributions are held and managed by the Trustee, which invests cash and interest received and makes distributions to participants. The Trustee also administers the payment of interest and principal on the note payable, which is reimbursed to the Trustee through contributions as determined by the Company.

Certain administrative functions are performed by officers or employees of the Company or its subsidiaries. No such officer or employee receives compensation from the Plan.

Note 6. Investment

The Plan's investment in Company common stock at December 31, is as follows:

	2024		2023	
	Allocated	Unallocated	Allocated	Unallocated
Number of shares	5,488.4115	10,548.5885	4,960.8459	11,076.1541
Cost	\$ 5,488,411	\$ 10,548,589	\$ 4,960,846	\$ 11,076,154
Fair value	\$ 18,003,965	\$ 34,603,168	\$ 17,369,112	\$ 38,780,274

NOTES TO FINANCIAL STATEMENTS

Note 7. Note Payable

On July 31, 2015, the Plan entered into a loan agreement with the Company to borrow \$16,037,000 to purchase 16,037 shares to obtain 100% of the Company's common stock. The note payable is collateralized by the unallocated shares of common stock. The note bears interest at a fixed rate of 4.00% compounded annually. Principal and interest payments are due on an annual basis beginning on January 30, 2016 through 2045. Accrued interest and the related interest expense are recorded on the accrual method as of the last day of the plan year. The outstanding balance on this note payable was \$12,102,554 and \$12,478,402 as of December 31, 2024 and 2023, respectively.

Required principal payments on the note payable for each of the succeeding five years and thereafter is as follows:

2025	\$ - -
2026	364,702
2027	424,385
2028	441,360
2029	457,823
Thereafter	<u>10,414,284</u>
	<u>\$ 12,102,554</u>

Note 8. Risks and Uncertainties

The Plan's investment consists of the Company's common stock, which is exposed to various risks, including interest rate, market, and credit risks, as well as valuation assumptions based on earnings and cash flows. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the common stock 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.

Note 9. Related-Party and Party-in-Interest Transactions

The Plan invests in Company common stock and has indebtedness to the Company. These are related party and party-in-interest transactions.

The Plan has a number of service providers. GreatBanc Trust Company is the Plan's trustee. Blue Ridge ESOP Associates is the Plan's third party administrator. Stites & Harbison PLLC provides legal services to the Plan. ComStock Advisors is the Plan's independent valuation specialist. Jones, Nale & Mattingly PLC is the Plan's independent audit firm. Such parties are parties-in-interest under ERISA. Service provider fees are paid for by the Company.

NOTES TO FINANCIAL STATEMENTS

Note 10. Amounts Allocated to Withdrawn Participants

As of December 31, 2024 and 2023, Plan assets of \$2,955,493 and \$3,035,175, respectively, have been allocated to the accounts of persons who are no longer active participants of the Plan but who have not yet received distributions as of that date.

Note 11. Plan Amendments

The Plan has implemented certain requirements by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act) and the Setting Every Community Up for Retirement Enhancement Act of 2019 (the SECURE Act), which laws change the Plan to, among other things, allow certain eligible individuals to suspend required minimum distributions, and delay the commencement date for required minimum distributions. Written amendments to the Plan to reflect these operational changes will be adopted at a later date in accordance with applicable law and IRS guidance.

RCSS HOLDINGS, INC. EMPLOYEE STOCK OWNERSHIP PLAN
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SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2024

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value		Cost	Current value
*	RCSS Holdings, Inc.	16,037.0000 shares of common stock	\$ 16,037,000	\$ 52,607,133
	Cash equivalents	Money market	<u>12,468</u>	<u>12,468</u>
			<u>\$ 16,049,468</u>	<u>\$ 52,619,601</u>

* Indicates a party-in-interest to the Plan.

