

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, etc.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report, etc.
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, etc.
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: RETIREMENT PLAN FOR EMPLOYEES OF THE MILLERS INSURANCE GROUP
1b Three-digit plan number (PN): 001
1c Effective date of plan: 01/01/1938
2a Plan sponsor's name (employer, if for a single-employer plan): HALLMARK FINANCIAL SERVICES INC
2b Employer Identification Number (EIN): 75-0439860
2c Plan Sponsor's telephone number: 817-348-1600
2d Business code (see instructions): 524210

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

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

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

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN	
	<b>3c</b> Administrator's telephone number	
<b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: <b>a</b> Sponsor's name <b>c</b> Plan Name	<b>4b</b> EIN	
	<b>4d</b> PN	
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	270
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). <b>a(1)</b> Total number of active participants at the beginning of the plan year ..... <b>a(2)</b> Total number of active participants at the end of the plan year ..... <b>b</b> Retired or separated participants receiving benefits..... <b>c</b> Other retired or separated participants entitled to future benefits ..... <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> ..... <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. .... <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> ..... <b>g(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) ..... <b>g(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) ..... <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6a(1)</b>	6
	<b>6a(2)</b>	5
	<b>6b</b>	127
	<b>6c</b>	108
	<b>6d</b>	240
	<b>6e</b>	25
	<b>6f</b>	265
	<b>6g(1)</b>	
<b>6g(2)</b>		
<b>6h</b>		0
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>	

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
1A 1C 1I

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

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

<b>a Pension Schedules</b>	<b>b General Schedules</b>
(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)	(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)
(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)
(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) <input type="checkbox"/> <b>A</b> (Insurance Information) – Number Attached <u>0</u>
(4) <input type="checkbox"/> <b>DCG</b> (Individual Plan Information) – Number Attached _____	(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)
(5) <input type="checkbox"/> <b>MEP</b> (Multiple-Employer Retirement Plan Information)	(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)
	(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

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

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

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

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

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

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<b>SCHEDULE SB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF THE MILLERS INSURANCE GROUP</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>HALLMARK FINANCIAL SERVICES INC</u>	<b>D</b> Employer Identification Number (EIN) <u>75-0439860</u>	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

**Part I Basic Information**

<b>1</b>	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2024</u>		
<b>2</b>	Assets:		
	<b>a</b> Market value .....	<b>2a</b>	<u>10155124</u>
	<b>b</b> Actuarial value .....	<b>2b</b>	<u>10275109</u>
<b>3</b>	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	<b>a</b> For retired participants and beneficiaries receiving payment .....	<u>149</u>	<u>6661492</u>
	<b>b</b> For terminated vested participants .....	<u>115</u>	<u>2122551</u>
	<b>c</b> For active participants .....	<u>6</u>	<u>171231</u>
	<b>d</b> Total .....	<u>270</u>	<u>8955274</u>
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
	<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>	
<b>5</b>	Effective interest rate .....	<b>5</b>	<u>5.01</u> %
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>0</u>
	<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>251830</u>
	<b>c</b> Target normal cost .....	<b>6c</b>	<u>251830</u>

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>		<u>05/20/2025</u>
	Signature of actuary	Date
	<u>WESLEY J. WICKENHEISER, FSA, EA, MAAA</u>	<u>23-06598</u>
	Type or print name of actuary	Most recent enrollment number
	<u>USI CONSULTING GROUP</u>	<u>502-815-5182</u>
	Firm name	Telephone number (including area code)
	<u>435 N WHITTINGTON PKWY, SUITE 250 LOUISVILLE, KY 40222</u>	
	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

<b>Part II Beginning of Year Carryover and Prefunding Balances</b>		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....	0	464879
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....	0	0
<b>9</b>	Amount remaining (line 7 minus line 8) .....	0	464879
<b>10</b>	Interest on line 9 using prior year's actual return of <u>16.50</u> % .....	0	76705
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
	<b>a</b> Present value of excess contributions (line 38a from prior year) .....		0
	<b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.14</u> % .....		0
	<b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		0
	<b>c</b> Total available at beginning of current plan year to add to prefunding balance .....		0
	<b>d</b> Portion of (c) to be added to prefunding balance .....		0
<b>12</b>	Other reductions in balances due to elections or deemed elections .....	0	0
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....	0	541584

<b>Part III Funding Percentages</b>			
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	108.69 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	114.73 %
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	107.77 %
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....	<b>17</b>	%

<b>Part IV Contributions and Liquidity Shortfalls</b>		<b>18 Contributions made to the plan for the plan year by employer(s) and employees:</b>			
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
<b>Totals ▶</b>			<b>18(b)</b>	0	<b>18(c)</b>
					0

<b>19</b>	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
	<b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....	<b>19a</b> 0
	<b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b> 0
	<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b> 0
<b>20</b>	Quarterly contributions and liquidity shortfalls:	
	<b>a</b> Did the plan have a "funding shortfall" for the prior year? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

**21** Discount rate:

**a** Segment rates:

1st segment: 4.75 %	2nd segment: 4.87 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
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**b** Applicable month (enter code) ..... **21b** 4

**22** Weighted average retirement age ..... **22** 61

**23** Mortality table(s) (see instructions)  Prescribed - combined  Prescribed - separate  Substitute

**Part VI Miscellaneous Items**

**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....  Yes  No

**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....  Yes  No

**26** Demographic and benefit information

**a** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....  Yes  No

**b** Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...  Yes  No

**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

<b>28</b> Unpaid minimum required contributions for all prior years .....	<b>28</b>	0
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	<b>29</b>	0
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	<b>30</b>	0

**Part VIII Minimum Required Contribution For Current Year**

**31** Target normal cost and excess assets (see instructions):

<b>a</b> Target normal cost (line 6c) .....	<b>31a</b>	251830
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....	<b>31b</b>	251830

**32** Amortization installments:

	Outstanding Balance	Installment
<b>a</b> Net shortfall amortization installment .....	0	0
<b>b</b> Waiver amortization installment.....	0	0

**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount..... **33**

<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	<b>34</b>	0
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	Carryover balance	Prefunding balance	Total balance
<b>35</b> Balances elected for use to offset funding requirement .....	0	0	0

**36** Additional cash requirement (line 34 minus line 35)..... **36** 0

**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0

**38** Present value of excess contributions for current year (see instructions)

<b>a</b> Total (excess, if any, of line 37 over line 36)	<b>38a</b>	0
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....	<b>38b</b>	0

**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0

**40** Unpaid minimum required contributions for all years..... **40** 0

**Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)**

**41** If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies.  2019  2020  2021

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

<b>A</b> Name of plan <b>RETIREMENT PLAN FOR EMPLOYEES OF THE MILLERS INSURANCE GROUP</b>	<b>B</b> Three-digit plan number (PN) ▶	<b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>HALLMARK FINANCIAL SERVICES INC</b>	<b>D</b> Employer Identification Number (EIN) <b>75-0439860</b>	

**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

**ISHARES**

**94-3351285**

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

**SCHWAB**

**94-3025021**

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

**SPDR**

**42-1704580**

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

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**(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)

USI CONSULTING GROUP

34-1213174

(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?
11 15 17 70 50	NONE	49767	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)

NFP RETIREMENT INC.

33-0905143

(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?
16	NONE	25000	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

GRANT THORNTON, LLP

36-6055558

(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	23175	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)

PRINCIPAL FINANCIAL GROUP, INC.

42-1520346

(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?
15 21 50 63 64	NONE	11274	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" 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.

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

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

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>a</b> Name:	<b>b</b> EIN:
<b>c</b> Position:	
<b>d</b> Address:	<b>e</b> Telephone:

Explanation:

<b>SCHEDULE H</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Financial Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning <b>01/01/2024</b> and ending <b>12/31/2024</b>	
<b>A</b> Name of plan <b>RETIREMENT PLAN FOR EMPLOYEES OF THE MILLERS INSURANCE GROUP</b>	<b>B</b> Three-digit plan number (PN) ▶ <b>001</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>HALLMARK FINANCIAL SERVICES INC</b>	<b>D</b> Employer Identification Number (EIN) <b>75-0439860</b>

<b>Part I</b>	<b>Asset and Liability Statement</b>
---------------	--------------------------------------

**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
<b>Assets</b>			
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	0	0
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	0	0
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>		
<b>(3)</b> Other .....	<b>1b(3)</b>	731	690
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	320370	359958
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>	0	0
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>	0	0
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>		
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>		
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	9794023	9884825
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) .....	<b>1c(14)</b>		
<b>(15)</b> Other .....	<b>1c(15)</b>		

<b>1d</b> Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	<b>1d(1)</b>	0	0
(2) Employer real property.....	<b>1d(2)</b>		
<b>e</b> Buildings and other property used in plan operation.....	<b>1e</b>		
<b>f</b> Total assets (add all amounts in lines 1a through 1e).....	<b>1f</b>	10115124	10245473
<b>Liabilities</b>			
<b>g</b> Benefit claims payable.....	<b>1g</b>		
<b>h</b> Operating payables.....	<b>1h</b>		
<b>i</b> Acquisition indebtedness.....	<b>1i</b>		
<b>j</b> Other liabilities.....	<b>1j</b>		
<b>k</b> Total liabilities (add all amounts in lines 1g through 1j).....	<b>1k</b>	0	0
<b>Net Assets</b>			
<b>l</b> Net assets (subtract line 1k from line 1f).....	<b>1l</b>	10115124	10245473

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

<b>Income</b>		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: <b>(A)</b> Employers.....	<b>2a(1)(A)</b>		
<b>(B)</b> Participants.....	<b>2a(1)(B)</b>		
<b>(C)</b> Others (including rollovers).....	<b>2a(1)(C)</b>		
(2) Noncash contributions.....	<b>2a(2)</b>		
(3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>		0
<b>b Earnings on investments:</b>			
<b>(1) Interest:</b>			
<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....	<b>2b(1)(A)</b>	7208	
<b>(B)</b> U.S. Government securities.....	<b>2b(1)(B)</b>		
<b>(C)</b> Corporate debt instruments.....	<b>2b(1)(C)</b>		
<b>(D)</b> Loans (other than to participants).....	<b>2b(1)(D)</b>		
<b>(E)</b> Participant loans.....	<b>2b(1)(E)</b>		
<b>(F)</b> Other.....	<b>2b(1)(F)</b>		
<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>		7208
<b>(2) Dividends:</b>			
<b>(A)</b> Preferred stock.....	<b>2b(2)(A)</b>		
<b>(B)</b> Common stock.....	<b>2b(2)(B)</b>		
<b>(C)</b> Registered investment company shares (e.g. mutual funds).....	<b>2b(2)(C)</b>	241060	
<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>		241060
<b>(3)</b> Rents.....	<b>2b(3)</b>		
<b>(4) Net gain (loss) on sale of assets:</b>			
<b>(A)</b> Aggregate proceeds.....	<b>2b(4)(A)</b>	896856	
<b>(B)</b> Aggregate carrying amount (see instructions).....	<b>2b(4)(B)</b>	896856	
<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result.....	<b>2b(4)(C)</b>		0
<b>(5) Unrealized appreciation (depreciation) of assets:</b>			
<b>(A)</b> Real estate.....	<b>2b(5)(A)</b>		
<b>(B)</b> Other.....	<b>2b(5)(B)</b>		
<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>		
(7) Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>		
(8) Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>		
(9) Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	<b>2b(10)</b>		807965
<b>c</b> Other income .....	<b>2c</b>		
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>		1056233

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	<b>2e(1)</b>	789398	
(2) To insurance carriers for the provision of benefits .....	<b>2e(2)</b>		
(3) Other.....	<b>2e(3)</b>		
(4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>		789398
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>		
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>		
<b>h</b> Interest expense.....	<b>2h</b>		
<b>i</b> Administrative expenses:			
(1) Salaries and allowances .....	<b>2i(1)</b>		
(2) Contract administrator fees .....	<b>2i(2)</b>		
(3) Recordkeeping fees .....	<b>2i(3)</b>		
(4) IQPA audit fees .....	<b>2i(4)</b>	23175	
(5) Investment advisory and investment management fees .....	<b>2i(5)</b>	25000	
(6) Bank or trust company trustee/custodial fees .....	<b>2i(6)</b>	11274	
(7) Actuarial fees .....	<b>2i(7)</b>	49767	
(8) Legal fees .....	<b>2i(8)</b>		
(9) Valuation/appraisal fees .....	<b>2i(9)</b>		
(10) Other trustee fees and expenses .....	<b>2i(10)</b>		
(11) Other expenses.....	<b>2i(11)</b>	27270	
(12) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(11)</b> .....	<b>2i(12)</b>		136486
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>		925884

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>		130349
<b>l</b> Transfers of assets:			
(1) To this plan.....	<b>2l(1)</b>		
(2) From this plan .....	<b>2l(2)</b>		

**Part III Accountant's Opinion**

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

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

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

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

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

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

(1) Name: GRANT THORNTON LLP

(2) EIN: 36-6055558

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

(1)  This form is filed for a CCT, PSA, DCG or MTIA. (2)  It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
<b>e</b> Was this plan covered by a fidelity bond?	X		2000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	X		
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

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

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

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 558805.

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  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).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2024</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

<b>A</b> Name of plan <u>RETIREMENT PLAN FOR EMPLOYEES OF THE MILLERS INSURANCE GROUP</u>	<b>B</b> Three-digit plan number (PN)	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>HALLMARK FINANCIAL SERVICES INC</u>	<b>D</b> Employer Identification Number (EIN) <u>75-0439860</u>	

<b>Part I</b>	<b>Distributions</b>
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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
---	--	---

**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): 41-6257133

**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		2
---	--	---

<b>Part II</b>	<b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

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

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>	
<b>c</b> 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).....	<b>6c</b>	

**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

<b>Part III</b>	<b>Amendments</b>
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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

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....  Yes  No

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

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

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

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

**a** Name of contributing employer \_\_\_\_\_

**b** EIN \_\_\_\_\_ **c** Dollar amount contributed by employer \_\_\_\_\_

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

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

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

<b>a</b> 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).....	<b>14a</b>	
<b>b</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).....	<b>14b</b>	
<b>c</b> 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).....	<b>14c</b>	

**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:

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

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

<b>a</b> Enter the number of employers who withdrew during the preceding plan year .....	<b>16a</b>	
<b>b</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.....	<b>16b</b>	

**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 \_\_\_\_\_.

Financial Statements and Report of  
Independent Certified Public  
Accountants

**Retirement Plan for Employees of the Millers  
Insurance Group**

December 31, 2024 and 2023

**Contents**

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

Participants and Plan Administrator  
Retirement Plan for Employees of the Millers Insurance Group

**Scope and nature of the ERISA Section 103(a)(3)(C) audit**

We have performed audits of the financial statements of Retirement Plan for Employees of the Millers Insurance Group (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements 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 years then ended, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2024 and 2023, and for the years then ended, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

**Opinion**

In our opinion, based on our audits and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the Financial Statements section

- The amounts and disclosures in the accompanying financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the accompanying financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

**Basis for opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (US 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 ERISA Section 103(a)(3)(C) 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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 US 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 US 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.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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.

**Other matter – supplemental schedules required by ERISA**

The supplemental schedules of assets (held at end of year) as of December 31, 2024 and reportable transactions for the year ended December 31, 2024 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such supplementary 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 included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures. These additional procedures included 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 US GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

*Grant Thornton LLP*

Oklahoma City, Oklahoma  
October 9, 2025

**Retirement Plan for Employees of the Millers Insurance Group**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

**December 31,**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Investments, at fair value	\$ 10,244,783	\$ 10,114,393
Accrued Interest and dividends	690	731
	<u>690</u>	<u>731</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<u>\$ 10,245,473</u>	<u>\$ 10,115,124</u>

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

**Retirement Plan for Employees of the Millers Insurance Group**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

Years ended December 31,

	<b>2024</b>	<b>2023</b>
<b>Investment income</b>		
Net appreciation in fair value of investments	\$ 807,965	\$ 1,311,242
Interest and dividends	248,308	220,888
Other income	-	556
	1,056,273	1,532,686
<b>Deductions</b>		
Benefits paid to participants	789,398	782,807
Administrative expenses	136,526	276,830
	925,924	1,059,637
<b>NET INCREASE</b>	130,349	473,049
<b>Net assets available for benefits</b>		
Beginning of year	10,115,124	9,642,075
End of year	\$ 10,245,473	\$ 10,115,124

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

## Retirement Plan for Employees of the Millers Insurance Group

### NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

#### NOTE 1 - DESCRIPTION OF PLAN

The following brief description of the Retirement Plan for Employees of the Millers Insurance Group (“the Plan”) provides only general information. Participants should refer to the Plan document, dated January 1, 2016, and subsequent amendments, for a more complete description of the Plan’s provisions.

##### **General**

The Plan is a noncontributory, defined benefit plan established to provide retirement and death benefits for eligible employees of the Millers Insurance Company and the Millers Casualty Insurance Company. The Plan is sponsored by Hallmark Financial Services, Inc. (“Plan Sponsor” or “Company”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

Effective July 1, 1996, the Plan was restated to become a cash balance plan. Each participant’s pension account was credited with its accrued benefit under the prior plan. In addition, each participant earned a guaranteed interest credit on their balance quarterly with a percentage of salary also credited to their balance quarterly.

Effective March 1, 2001, the Plan was amended to freeze Plan participation and benefit accruals; Plan participants became 100% vested as of that date. Interest was credited prospectively at a fixed rate for the number of years between the participant’s age and the Plan’s normal retirement age. Subsequent to March 1, 2001, there have been no changes in participants’ balances.

The Plan was restated, effective January 1, 2016, and amended effective September 1, 2016, to allow for in-service distributions. The Plan received a favorable determination letter from the United States Internal Revenue Service (“IRS”) dated February 16, 2017. The restated plan and IRS letter were inclusive of all amendments to the Plan made through January 27, 2016.

Principal Bank (the “Trustee”) is the trustee of the Plan. Under the terms of the trust agreement between the Trustee and the Company, the Trustee manages a trust fund on behalf of the Plan. Accordingly, the Trustee has been expressly delegated by the Plan certain discretionary authority concerning administration, investment, and management powers, as defined in the trust agreement and as directed by the Investment Committee of the Plan.

##### **Pension Benefits**

Prior to March 1, 2001, full-time employees who had completed at least 1,000 hours of service within a consecutive 12-month period became eligible to participate in the Plan at the end of a 12-month service period. No participants have been admitted to the Plan since March 1, 2001. A participant’s initial vesting date was the earlier of the date they completed five years of vesting service or the date they attained age 55.

Participants who retired prior to July 1, 1996, with five or more years of credited service are entitled to annual pension benefits beginning at the normal retirement age (65) equal to 1.10% of their final average monthly compensation, as defined in the Plan document, as of the actual retirement date, multiplied by the number of years of credited service, plus 0.50% of their final average monthly compensation as of the actual retirement date in excess of \$500, multiplied by the number of years of credited service up to 45 years.

Participants who retire on or after July 1, 1996, with five or more years of credited service are entitled to annual pension benefits beginning at the normal retirement age (65) equal to the monthly benefit that can be provided on an actuarial equivalent basis by the participant’s account balance. A participant’s account balance is equal to the present value of the participant’s pre-July 1, 1996, accrued benefit using an 8.00% interest rate, plus annual additions to the account equal to 5.00% of considered compensation, plus an interest credit equal to the rate on one-year Treasury securities (but not greater than 30-year Treasury securities). The interest credit is independent of the actual return earned on the investments. The accrued

## Retirement Plan for Employees of the Millers Insurance Group

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

benefit for employees age 55 or older on the effective date is defined as the greater of the pre or post July 1, 1996, calculation method.

The normal form of retirement income is an annuity payable for the lifetime of the participant. For participants who retired prior to July 1, 1996, the Plan permits early retirement at ages 55 to 64. The participant is entitled to receive his or her accrued benefit reduced for early retirement based on age, credited service, and an average monthly compensation as of the early retirement date. No benefits are payable prior to age 55.

Prior to July 1, 1996, if retirement occurs after age 65, the late retirement benefit is the greater of the retirement benefit using credited service and average monthly compensation as of the late retirement date, or the normal retirement benefit calculated as of age 65, actuarially increased based on age as of actual retirement, plus an additional amount calculated based on the Plan formula using final average compensation as of actual retirement and credited service accrued after age 65.

Participants who have attained normal retirement age (65) may elect to commence payment of his or her accrued pension even though such Employee has not terminated his or her employment with the Company. Such in-service distribution may commence (or be made) on the first day of any month coinciding with or next following the Employee's Normal Retirement Age, as elected by the Employee, or as soon thereafter as administratively feasible.

Prior to March 1, 2001, if employees terminated before rendering five years of service without attaining age 55, the right to receive the portion of their accumulated plan benefits attributable to the Company's contribution was forfeited.

Subsequent to March 1, 2001, all participants can elect to have an eligible rollover distribution paid directly to an eligible retirement plan. All participants may also elect a lump-sum payment provided that no lump-sum payment shall be payable to a participant whose pension has a lump-sum value greater than \$10,000.

#### ***Death Benefits***

If a vested participant dies before reaching his or her earliest retirement date, his or her spouse is entitled to a monthly income payable for life, with 10 years certain, commencing on what would have been the participant's earliest retirement date, equal to the present value of the accrued retirement benefit. If a vested participant dies after reaching his or her earliest retirement date, his or her spouse is entitled to a monthly income payable for life, with 10 years certain, commencing immediately following the death of the participant, equal to the 50.00% of the benefit that would have been payable had the participant retired on the day before his or her death.

#### ***Termination of the Plan***

While the Company has not expressed any intent to discontinue its contributions, it is free to do so under the terms of the Plan at any time, subject to provisions of ERISA. If such discontinuance were to result in termination of the Plan, the net assets would be allocated among the participants and beneficiaries in the following order:

1. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.

## Retirement Plan for Employees of the Millers Insurance Group

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

2. Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") up to the applicable limitation (discussed below).
3. All other vested benefits (that is, vested benefits not insured by the PBGC).
4. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC when the Plan terminates. Generally, the PBGC guarantees most vested normal retirement age benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit that the PBGC guarantees.

The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceiling is actuarially adjusted downward.

Whether all participants receive their benefits when the Plan terminates will be determined based on the sufficiency of the Plan's net assets to provide those benefits and may depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

#### **NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### ***Basis of Accounting***

The financial statements of the Plan are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

##### ***Use of Estimates***

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, and disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits as of the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. A change in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

##### ***Interest-Bearing Cash***

The Plan maintains its interest-bearing cash in money market account balances at the Trustee. The Plan has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on interest-bearing cash.

##### ***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 Investment Committee determines the Plan's valuation policies utilizing information provided by its investment advisors, custodians and insurance company. See Note 4 for a discussion of fair value measurements.

## Retirement Plan for Employees of the Millers Insurance Group

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

Purchase and sales of securities are recorded on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Net appreciation in fair value of investments includes realized and unrealized investment gains and losses. Brokerage fees, if any, are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

#### ***Funding Policy***

Contributions are made to the Plan to meet minimum funding requirements, as determined by the Plan's independent actuary. Amounts contributed in excess of the minimum required will result in a credit balance for funding purposes, which can be used to offset minimum contribution requirements for future years. The Company's current funding policy is to make annual voluntary contributions generally in amounts sufficient to fund the Plan's current years' service cost, and the past service cost plus interest. No voluntary employee contributions are permitted. The Plan is in compliance with applicable ERISA minimum funding requirements.

#### ***Payment of Benefits***

Benefit payments to participants are recorded upon distribution.

#### ***Administrative Expenses***

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan document. Expenses that are paid directly by the Company are excluded from these financial statements. The Plan is under no obligation to reimburse the Company for these expenses. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statements of changes in net assets available for benefits. In addition, certain investment related expenses are charged against net appreciation in fair value of investments presented in the accompanying statements of changes in net assets available for benefits.

#### **NOTE 3 - INFORMATION CERTIFIED BY THE TRUSTEES**

The Plan Administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate:

- Investments, at fair value and accrued interest and dividends as shown in the statements of net assets available for benefits as of December 31, 2024 and 2023
- Investment income as shown in the statements of changes in net assets available for benefits for the years ended December 31, 2024 and 2023
- Schedule H, line 4i - schedule of assets (held at end of year) as of December 31, 2024
- Schedule H, line 4j - schedule of reportable transactions for the year ended December 31, 2024

#### **NOTE 4 - ACCUMULATED BENEFITS**

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

**Retirement Plan for Employees of the Millers Insurance Group**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**

Accumulated benefits payable under all circumstances (retirement, death, disability, and termination of employment) are included to the extent they are expected to become payable upon the occurrence of future events (termination, retirement, etc.).

The actuarial present value of accumulated plan benefits under the Plan was calculated using beginning of the year benefit information by the consulting actuary, and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrement such as death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2024 and 2023.

The actuarial present value of the accumulated Plan benefits is determined as of the beginning of the Plan year and is as follows:

Accumulated plan benefits, December 31, 2023	
Actuarial present value of accumulated plan benefits	
Vested benefits	
Active participants	\$ 150,987
Participants and beneficiaries currently receiving payments	6,060,222
Terminated participants with deferred benefits	<u>1,838,126</u>
 Total actuarial present value of accumulated plan benefits	 <u>\$ 8,049,335</u>

Changes in the actuarial present value of accumulated plan benefits from the prior year were as follows:

Actuarial present value of accumulated plan benefits as of December 31, 2022	<u>\$ 8,392,900</u>
Increase (decrease) during the year attributable to	
Interest due to decrease in the average discount period	520,097
Benefits paid	(782,807)
Other	<u>(80,855)</u>
Actuarial present value of accumulated plan benefits as of December 31, 2023	<u>\$ 8,049,335</u>

The significant actuarial assumptions used in the valuations as of December 31, 2023 and 2022, are as follows:

Discount rate	6.50% in 2023 and 2022
Mortality	Pri-2012 projected back to 2012, using Scale MP-2021 in 2023; Pri-2012 projected back to 2012, using Scale MP-2021 in 2022
Retirement age	Varied rates based upon age. Normal retirement is at age 65 with early retirement at age 55

The foregoing assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

## Retirement Plan for Employees of the Millers Insurance Group

### NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

#### NOTE 5 - FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*, establishes a framework for measuring fair value. The framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC Topic 820 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.

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 or 2023.

#### ***Interest-Bearing Cash***

Interest-bearing cash is valued at the market value of cash, including accrued interest, held by the Plan at year-end.

#### ***Registered Investment Companies***

Registered investment companies are valued at the daily closing price as reported by the fund. Funds held by the Plan are open-end mutual funds or exchange traded fund that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The funds held by the Plan are deemed to be actively traded.

**Retirement Plan for Employees of the Millers Insurance Group**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**

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

	2024			
	Level 1	Level 2	Level 3	Total
Interest-bearing cash	\$ 359,958	\$ -	\$ -	\$ 359,958
Registered investment companies	9,884,825	-	-	9,884,825
	\$ 10,244,783	\$ -	\$ -	\$ 10,244,783
	2023			
	Level 1	Level 2	Level 3	Total
Interest-bearing cash	\$ 320,370	\$ -	\$ -	\$ 320,370
Registered investment companies	9,794,023	-	-	9,794,023
	\$ 10,114,393	\$ -	\$ -	\$ 10,114,393

**NOTE 6 - TRANSACTIONS WITH PARTIES IN INTEREST**

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer and certain others.

Certain administrative functions are performed by officers and employees of the Company. No officer or employee receives compensation from the Plan for these services.

Certain investments of the Plan are managed by the Trustee. The Plan paid expenses relating to plan administration and investment activity to various service providers. These transactions are party-in-interest transactions under ERISA.

**NOTE 7 - 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 participants' account balances and the amounts reported in the statements of net assets available for benefits.

Plan contributions are made, and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of 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.

**Retirement Plan for Employees of the Millers Insurance Group**

**NOTES TO FINANCIAL STATEMENTS - CONTINUED**

**December 31, 2024 and 2023**

**NOTE 8 - INCOME TAX STATUS**

The IRS has determined and informed the Plan Sponsor, by a letter dated February 16, 2017, that the Plan is qualified and the trust established under the Plan is tax-exempt under the appropriate section(s) of the Internal Revenue Code ("Code"). There have been no amendments to the Plan subsequent to receiving the tax determination letter. The Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS or the Department of Labor ("DOL"). The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2024 and 2023, there are no uncertain positions taken or expected to be taken that would require recognition of a liability 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.

**NOTE 9 - SUBSEQUENT EVENTS**

Subsequent events were evaluated through October 9, 2025, which is the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULES

Retirement Plan for Employees of the Millers Insurance Group

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2024

EMPLOYER ID NO: 75-0439860, PLAN #: 001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(d) Cost	(e) Current Value
	<b>Interest-bearing cash</b>			
*	Principal	Deposit Sweep Program	\$ 359,958	\$ 359,958
	<b>Registered investment companies</b>			
	iShares	iShares Core Total U.S. Aggregate Bond ETF	1,830,356	1,783,638
	iShares	iShares Core 1-5 Year USD Bond ETF	627,302	594,068
	Charles Schwab	Schwab US Tips ETF	876,887	723,240
	SSGA	SPDR Portfolio Developed World (Ex-US) ETF	1,304,337	1,494,621
	SSGA	SPDR S&P 500 ETF	1,659,189	3,696,080
	SSGA	SPDR S&P 600 Small Cap ETF	1,038,494	1,593,178
		Total registered investment companies	<u>7,336,565</u>	<u>9,884,825</u>
			<u>\$ 7,696,523</u>	<u>\$ 10,244,783</u>

\* Represents a party in interest.

**Retirement Plan for Employees of the Millers Insurance Group**  
**SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS**

Year ended December 31, 2024

EMPLOYER ID NO: 75-0439860, PLAN #: 001

**Series of Transactions**

<u>(a) Identity of Party Involved</u>	<u>(b) Description of Asset (Include Interest Rate and Maturity in Case of a Loan)</u>	<u>(c) Purchase Price</u>	<u>(d) Selling Price</u>	<u>(g) Cost of Asset</u>	<u>(h) Current Value of Asset on Transaction Date</u>	<u>(i) Net Gains or (Loss)</u>
* Principal	Principal Deposit Sweep Program	\$ 936,443	\$ -	\$ 936,443	\$ 936,443	\$ -
* Principal	Principal Deposit Sweep Program	-	896,855	896,855	896,855	-

\* Represents a party in interest.

AGE GROUP	YEARS OF SERVICE										
	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - UP	
1 - 24	Number										
	Avg Benefit*										
25 - 29	Number										
	Avg Benefit*										
30 - 34	Number										
	Avg Benefit*										
35 - 39	Number										
	Avg Benefit*										
40 - 44	Number										
	Avg Benefit*										
45 - 49	Number										
	Avg Benefit*										
50 - 54	Number										
	Avg Benefit*										
55 - 59	Number										
	Avg Benefit*										
60 - 64	Number										
	Avg Benefit*										
65 - 69	Number										
	Avg Benefit*										
70 - UP	Number										
	Avg Benefit*										
<Total>	Count					1	1	3			
	Mean					N/A	N/A	N/A			

\* Average frozen accrued benefits are omitted since the plan has fewer than 1,000 active participants.

## Summary of Actuarial Assumptions and Methods

### Mortality Rates

*(Prescribed by Code §430)*

IRS Generational Mortality Tables with Pre and Post Commencement Rates with projected mortality improvements after year 2006 under IRS 2024 Adjusted Projection Scale MP-2021 (male and female scales)

*Mortality table for ASC 960 calculation*

*(Selected by plan sponsor)*

PRI-2012 Total Dataset Mortality with generational mortality improvements after year 2012 under Projection Scale MP-2021 (Separate scales used for males and females and based on participant status)

*Mortality table for disabled participants*

*(Allowed to differentiate under Code §430)*

Mortality Rates per IRS Revenue Ruling 96-7 for participants who became disabled before January 1, 1995

### Withdrawal Rates

*(gains and losses from this source are reviewed to assess reasonableness)*

2003 Society of Actuaries' Pension Plan Turnover Study (Select and Ultimate Table)

### Disablement Rates

*(gains and losses from this source are reviewed to assess reasonableness)*

None

### Retirement Rates

*(gains and losses from this source are reviewed to assess reasonableness)*

Active and current vested deferred participants are assumed to retire according to the following schedule:

<u>Age</u>	<u>Retirement Rate</u>
55	20%
56-59	5%
60	10%
61	5%
62-64	15%
65	100%

### Salary Scale

Not applicable

## Rate of Investment Return

	Segment 1 <u>(0 to 5 Years)</u>	Segment 2 <u>(5 to 20 Years)</u>	Segment 3 <u>(More than 20 Years)</u>
Adjusted 24-Mo. Avg. Segment Rates	4.75% per annum	4.87% per annum	5.59% per annum
Minimum Funding Target Liability <i>(prescribed by Code §430)</i>			
Unadjusted 24-Mo. Avg. Segment Rates	3.62% per annum	4.46% per annum	4.52% per annum
Maximum Deductible Liability Low-Default-Risk Obligation Measurement (LDRM) PBGC Variable Premium Liability (alternative method) <i>(prescribed by Code §430)</i>			
Other Measurements			
ASC 960 <i>(selected by plan sponsor)</i>	6.50% per annum	6.50% per annum	6.50% per annum

## Actuarial Valuation Method

Unit Credit as prescribed by Code §430

Maximum Deductible Contribution as prescribed by Code §404(o)

## Asset Valuation Method

*(Prescribed by Code §430)*

As selected by the plan sponsor, market value adjusted for any accruals and further adjusted for weighted gains and losses during the prior 2 years. Weighted gains and losses for each plan year reflect interest at the assumed long-term rate of return of 6.5% but not greater than the applicable 3rd segment rate. The resulting value shall not be more than 110% or less than 90% of market value.

## Provision for Expenses

Replacement of previous plan year's administrative expenses

## Form of Payment

(gains and losses from this source are reviewed to assess reasonableness)

	<u>Life Annuity</u>	<u>10 Year Certain and Life</u>	<u>Joint and 50% Survivor</u>
Active retirements	45%	15%	40%
Future vested deferred	45%	15%	40%
Future deaths	0%	100%	0%
Current vested deferred	45%	15%	40%

## Other Assumptions

Marital status at benefit commencement -- 80% married with female spouses 3 years younger than male spouses.

Top-Heavy status -- not top-heavy.

Current Code section 401(a)(17) compensation limitation – Not applicable

Current Code section 415(b) annual benefit limitation -- \$275,000.

Cost-of-Living escalation for Code section 401(a)(17) and 415(b) -- none as prescribed by Code §1.412(c)(3)-1(d)(1)

## Changes in Assumptions from Prior Actuarial Valuation

	<u>Previous</u>	<u>Current</u>
Minimum Funding Target Segment Rates	Three Segment Yield Curve (4.75%, 5.00% & 5.74%)	Three Segment Yield Curve (4.75%, 4.87% & 5.59%)

Reason: In recognition of interest rate environment as measured by methodology set forth in Code §430(h)(2).

	<u>Previous</u>	<u>Current</u>
Unadjusted 24-Month Average Segment Rates (4-month lookback)	Three Segment Yield Curve (1.41%, 3.09% & 3.58%)	Three Segment Yield Curve (3.62%, 4.46% & 4.52%)

Reason: In recognition of interest rate environment as measured by methodology set forth in Code §430(h)(2).

	<u>Previous</u>	<u>Current</u>
Funding Target Mortality Rates	IRS Generational Mortality Tables with Pre and Post Commencement Rates with projected mortality improvements under Projection Scale MP-2021 (male and female scales)	IRS Generational Mortality Tables with Pre and Post Commencement Rates with projected mortality improvements under IRS 2024 Adjusted Projection Scale MP-2021 (male and female scales)

Reason: In recognition of IRS final regulations that specify Funding Target mortality.

**Schedule SB, Line 22 – Description of Weighted Average Retirement Age**  
**Plan Name: Retirement Plan for Employees of the Millers Insurance Group**

**PLAN YEAR: 2024**  
**EIN/PN: 75-0439860/001**

(1)	(2)	(3)	(4)	(5)
Age	Expected Headcount	Rate of Retirement	Number Retiring (2) x (3)	Weighted Age (1) X (4)
55	100.0000	20.00%	20.0000	1,100.00
56	80.0000	5.00%	4.0000	224.00
57	76.0000	5.00%	3.8000	216.60
58	72.2000	5.00%	3.6100	209.38
59	68.5900	5.00%	3.4295	202.34
60	65.1605	10.00%	6.5161	390.96
61	58.6445	5.00%	2.9322	178.87
62	55.7122	15.00%	8.3568	518.12
63	47.3554	15.00%	7.1033	447.51
64	40.2521	15.00%	6.0378	386.42
65	34.2143	100.00%	34.2143	2,223.93
Total				6,098.13
				÷ 100
Weighted Normal Retirement Age				60.98

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
Principal	Deposit Sweep Program	936,443	N/A	0	0	936,443	936,443	0
Principal	Deposit Sweep Program	N/A	896,855	0	0	896,855	896,855	0

<b>SCHEDULE SB</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	OMB No. 1210-0110  <b>2024</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan RETIREMENT PLAN FOR EMPLOYEES OF THE MILLERS INSURANCE GROUP	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF  HALLMARK FINANCIAL SERVICES INC	<b>D</b> Employer Identification Number (EIN)  75-0439860	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input checked="" type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

**Part I Basic Information**

**1** Enter the valuation date: Month 01 Day 01 Year 2024

<b>2</b> Assets:		
<b>a</b> Market value .....	<b>2a</b>	10,155,124
<b>b</b> Actuarial value .....	<b>2b</b>	10,275,109

<b>3</b> Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment .....	149	6,661,492	6,661,492
<b>b</b> For terminated vested participants .....	115	2,122,551	2,122,551
<b>c</b> For active participants .....	6	171,231	171,231
<b>d</b> Total .....	270	8,955,274	8,955,274



**4** If the plan is in at-risk status, check the box and complete lines (a) and (b).....

<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>	

**5** Effective interest rate..... **5** 5.01%

<b>6</b> Target normal cost		
<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	0
<b>b</b> Expected plan-related expenses .....	<b>6b</b>	251,830
<b>c</b> Target normal cost .....	<b>6c</b>	251,830

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>	 Signature of actuary WESLEY J. WICKENHEISER, FSA, EA, MAAA Type or print name of actuary USI CONSULTING GROUP Firm name 435 N WHITTINGTON PKWY, SUITE 250 LOUISVILLE KY 40222 Address of the firm	 Date 2306598 Most recent enrollment number 502-815-5182 Telephone number (including area code)
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If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

*This summary is not a Summary Plan Description or a plan document. You should not rely solely on this summary in making a determination of eligibility for the plan or its benefits.*

## **Summary of Provisions of the Plan**

### **Effective Date and Plan Year**

The original effective date of the plan was January 1, 1938. The effective date for the latest plan restatement was January 1, 2016. The plan year ends on each December 31, which coincides with the Employer's fiscal year.

### **Eligibility**

Each employee other than a leased employee is eligible to become a participant in the plan on the date following his completion of one year of service in which 1,000 hours are worked. No new participants shall commence participation in the plan on or after March 1, 2001.

### **Service**

Service credited for benefit purposes means the total number of plan years or partial plan years of employment beginning with the first year in which an employee completes a year of Participation service, subject to certain break in service rules. Service credited for vesting purposes means the number of plan years in which the employee completes at least 1,000 hours of service, subject to certain break in service rules. No service for benefit purposes will be credited under the plan after March 1, 2001.

### **Compensation**

W-2 compensation earned while a participant excluding bonuses, expense reimbursements, and fringe benefits and including elected deferrals. A participant's annual compensation for plan purposes is limited as required under Code §401(a)(17).

### **Normal Retirement**

#### *Condition*

The normal retirement date is the first day of the calendar month coincident with or next following the participant's 65th birthday.

### **Benefit**

The normal retirement benefit is a monthly annuity based on a hypothetical account balance at age 65 equal to the sum of the following:

- 1) the present value of the June 30, 1996 accrued benefit at such date, plus
- 2) 5% of the quarterly compensation after July 1, 1996 credited to the Participant's hypothetical account balance, plus
- 3) a quarterly interest credit based on 12-month Treasury bills as of the beginning of such quarter, not to exceed the rate on 30-year Treasury securities for the month of November of the prior plan year.

No further benefits will accrue under the plan after March 1, 2001.

### **Early Retirement**

#### **Condition**

A participant may retire early after he has attained age 55.

#### **Benefit**

The deferred benefit, to commence at the participant's normal retirement date, is equal to the participant's accrued benefit determined as of his early retirement date.

Upon making a written request, the participant's benefit may commence at any time after his termination of employment. If the benefit is to commence immediately, the deferred benefit is reduced by 1/15th for each of the first 5 years and by 1/30th for each additional year by which the participant's date of benefit commencement precedes his normal retirement date.

### **Late Retirement**

#### **Condition**

A participant may choose to postpone his retirement beyond his normal retirement date, in which event no benefit shall be payable until actual retirement.

#### **Benefit**

The benefit, payment of which commences the first day of the month following the participant's actual date of retirement, is computed in the same manner as the normal retirement benefit based upon compensation earned through the date of retirement. This benefit shall not be less than the actuarially equivalent of the benefit the participant would have received at his normal retirement date.

## **In-Service Distributions**

A participant who has attained Normal Retirement Date shall be permitted to take an in-service distribution.

## **Disability Retirement**

There are no disability benefits provided under the plan on or after January 1, 1994. Participants who retired with disability benefits prior to January 1, 1994 will continue to have such disability benefits.

## **Death Before Retirement**

### *Condition*

In the event of the death of a participant after becoming eligible for a vested benefit under the plan, and while either (i) actively employed by the employer, or (ii) on deferred vested status but prior to receiving any retirement benefits, a monthly survivorship benefit shall be payable to the participant's beneficiary.

### *Benefit*

The monthly benefit is payable on the first day of the month specified by the participant, but not later than the participant's Normal Retirement Date. If no date is specified, the benefit will commence on the first day of the month coincident with or next following the participant's death. Payments will be in the form of a straight life annuity with 120 payments guaranteed, with any remaining payments at the beneficiary's death payable as a lump sum to the beneficiary's estate. If the participant's beneficiary is a spouse, the benefit will be no less than 50% of the benefit the beneficiary would have received if the participant had terminated employment the day before his death (or on his actual date of termination if earlier), had lived to the benefit commencement date, and elected an immediate joint and 50% to survivor benefit. However, in lieu of such payment, the participant (or if not the participant, the beneficiary) may elect a straight life annuity or lump sum if the lump sum is less than \$10,000.

## **Termination of Employment**

If a participant terminates employment before December 31, 2006 after completion of five or more years of vesting service, the participant is entitled to a deferred vested retirement benefit commencing at normal retirement. If a participant terminates employment after December 31, 2006 after completion of three or more years of vesting service, the participant is entitled to a deferred vested retirement benefit commencing at normal retirement. Any employee of the Millers Mutual Fire Insurance Company of Texas as of March 1, 2001 shall become 100% vested as of that date.

## **Optional Modes of Benefit Payments**

Subject to the applicable plan conditions, a participant may select an optional method of benefit payment, in lieu of the prescribed life income, which is actuarially equivalent thereto. The purpose of the optional method is to permit the guarantee of retirement income payments for a minimum period of time (i.e., 10 years), to provide a continued life income to a surviving beneficiary after the death of a participant (i.e., 50%, 75%, or 100% joint and survivor), or to provide a life income to a surviving beneficiary for a minimum period of time (i.e., 50% joint and survivor with a 10-year certain period). The participant may also elect a lump sum if the lump sum amount is less than \$10,000. However, if no option is elected and the participant is married at the date the benefit commences, the monthly benefit will automatically be paid in the form of a 50% joint and survivor annuity.

## **Actuarial Equivalence**

Actuarial equivalent values shall be computed based on the UP-1984 Mortality Table and an interest rate of 7%. Single sum calculations shall be determined using the mandated mortality table described under Code Section 417(e). The interest rates used for single sum calculations shall be the interest rates specified under IRS Code Section 417(e) in effect as of the second calendar month preceding the plan year in which payment is made.

## **Contributions to the Plan**

The employer contributes actuarially determined amounts to finance the plan benefits. No contributions by participating employees are required.

## **Investment of Plan Funds**

The assets of the retirement plan will be invested by the trustee in accordance with the terms of the trust agreement.

Schedule H, Item 4i - Schedule of Assets (Held at End of Year)  
 Plan Name: Retirement Plan for Employees of the Millers Insurance Group

Plan Year: 2024  
 EIN/PN: 75-0439860 / 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
*	Principal	Deposit Sweep Program	359,958	359,958
	ISHARES CORE	18,407 shares, Total U.S. Aggregate	1,830,356	1,783,638
	ISHARES CORE	12,436 shares, 1-5 Year USD Bond	627,302	594,068
	SCHWAB	28,000 shares, U.S. Tips ETF	876,887	723,240
	SPDR	43,792 shares, Developed World ETF	1,304,336	1,494,621
	SPDR	53,613 shares, S&P 500 ETF	1,659,189	3,696,080
	SPDR	35,467 shares, Small Cap ETF	1,038,494	1,593,178