

Form 5500

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

Complete all entries in accordance with the instructions to the Form 5500.

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

- A This return/report is for: [] a multiemployer plan [] a multiple-employer plan... [X] a single-employer plan [] a DFE... B This return/report is: [] the first return/report [] the final return/report... C If the plan is a collectively-bargained plan, check here... D Check box if filing under: [X] Form 5558 [] automatic extension... E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here...

Part II Basic Plan Information—enter all requested information

1a Name of plan: CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC. EMPLOYEE STOCK OWNERSHIP PLAN
1b Three-digit plan number (PN): 002
1c Effective date of plan: 01/01/2016
2a Plan sponsor's name (employer, if for a single-employer plan): CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
2b Employer Identification Number (EIN): 42-1190085
2c Plan Sponsor's telephone number: 641-683-1888
2d Business code (see instructions): 444190

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

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

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

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

Form 5500 (2024) v. 240311

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	350
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	305
	6a(2)	333
	6b	0
	6c	48
	6d	381
	6e	1
	6f	382
	6g(1)	331
	6g(2)	380
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

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

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

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

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

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

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning <u>01/01/2024</u> and ending <u>12/31/2024</u>	
A Name of plan <u>CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.</u>	D Employer Identification Number (EIN) <u>42-1190085</u>

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

	(a) Beginning of Year	(b) End of Year
Assets		
a Total noninterest-bearing cash	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1)	
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	2048054
		5848640
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2359377
(2) U.S. Government securities	1c(2)	
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	
(B) Common	1c(4)(B)	
(5) Partnership/joint venture interests	1c(5)	
(6) Real estate (other than employer real property)	1c(6)	
(7) Loans (other than to participants)	1c(7)	
(8) Participant loans	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	
(11) Value of interest in master trust investment accounts	1c(11)	
(12) Value of interest in 103-12 investment entities	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	
(15) Other.....	1c(15)	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	48982500	47645500
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	54831388	52052931
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i	19111834	15584830
j Other liabilities.....	1j	248	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	19112082	15584830
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	35719306	36468101

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	1510713	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		1510713
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	37493	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		37493
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)	2048054	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		2048054
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-1337001	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2259259

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	931654	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		931654
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		578078
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)		
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses.....	2i(11)	732	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		732
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1510464

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		748795
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

(1) Name: **MARTENS & COMPANY, CPA, LLP**

(2) EIN: **59-3823192**

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

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

Part IV Compliance Questions

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

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

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

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

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

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

A Name of plan <u>CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN)	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.</u>	D Employer Identification Number (EIN) <u>42-1190085</u>	

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

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

1		0
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2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
 EIN(s): 33-6134835

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

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

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

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

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

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

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

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

a Name of contributing employer _____

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Part VII IRS Compliance Questions

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

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

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

CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION WITH
INDEPENDENT AUDITOR'S REPORT

December 31, 2024 and 2023

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MARTENS & COMPANY, CPA, LLP

CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditor's Report

To the Administrative Committee
Carroll Distributing & Construction Supply, Inc.
Employee Stock Ownership Plan

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Carroll Distributing & Construction Supply, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgement 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 Carroll Distributing & Construction Supply, Inc. Employee Stock Ownership Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Carroll Distributing & Construction Supply, Inc. Employee Stock Ownership Plan's ability to continue as a going concern for a reasonable period of time.

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

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to auditing procedures applied in the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards.

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

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

Martens & Company, CPA, LLP

West Des Moines, Iowa
October 10, 2025

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

December 31, 2024 and 2023

	2024		
	Allocated	Unallocated	Total
ASSETS			
Cash	\$ 2,359,377	\$ -	\$ 2,359,377
S Distribution receivable	-	2,048,054	2,048,054
Investment in Carroll Distributing & Construction Supply Inc. common stock, at fair value	<u>25,472,160</u>	<u>22,173,340</u>	<u>47,645,500</u>
Total assets	<u>27,831,537</u>	<u>24,221,394</u>	<u>52,052,931</u>
LIABILITIES			
Note payable	<u>-</u>	<u>15,584,830</u>	<u>15,584,830</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ <u>27,831,537</u>	\$ <u>8,636,564</u>	\$ <u>36,468,101</u>
	2023		
	Allocated	Unallocated	Total
ASSETS			
Cash	\$ -	\$ 248	\$ 248
S distribution receivable	2,321,637	3,527,003	5,848,640
Investment in Carroll Distributing & Construction Supply Inc. common stock, at fair value	<u>23,544,876</u>	<u>25,437,624</u>	<u>48,982,500</u>
Total assets	<u>25,866,513</u>	<u>28,964,875</u>	<u>54,831,388</u>
LIABILITIES			
Note payable	-	19,111,834	19,111,834
Administration fee payable	<u>-</u>	<u>248</u>	<u>248</u>
Total liabilities	<u>-</u>	<u>19,112,082</u>	<u>19,112,082</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$ <u>25,866,513</u>	\$ <u>9,852,793</u>	\$ <u>35,719,306</u>

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

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

For the year ended December 31, 2024

	<u>Allocated</u>	<u>Unallocated</u>	<u>Total</u>
ADDITIONS TO NET ASSETS			
Investment income			
S-Distributions	\$ -	\$ 2,048,054	\$ 2,048,054
Other Income	37,493	-	37,493
Employer contributions	932,635	578,078	1,510,713
Allocation of 18,878.67 shares of Carroll & Supply Common stock, at fair value	<u>2,569,953</u>	<u>(2,569,953)</u>	<u>-</u>
Total additions to net assets	3,540,081	56,179	3,596,260
DEDUCTIONS FROM NET ASSETS			
Investment loss			
Net depreciation in fair value	642,671	694,330	1,337,001
Benefits paid directly to participants	931,654	-	931,654
Interest expense	-	578,078	578,078
Administration	<u>732</u>	<u>-</u>	<u>732</u>
Total deductions from net assets	1,575,057	1,272,408	2,847,465
Transfer for debt service	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	1,965,024	(1,216,229)	748,795
Net assets available for benefits:			
Beginning of year	<u>25,866,513</u>	<u>9,852,793</u>	<u>35,719,306</u>
End of year	\$ <u>27,831,537</u>	\$ <u>8,636,564</u>	\$ <u>36,468,101</u>

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

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Carroll Distributing & Construction Supply, Inc. Employee Stock Ownership Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for complete information.

General

Carroll Distributing & Construction Supply, Inc. (the Company) established the Plan effective January 1, 2016. The Plan operates as a leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 4975(e)(7) of the Internal Revenue Code of 1986, as amended (IRC) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan is administered by the Company, but its duties may be delegated to the ESOP Committee. An independent third party is the Plan's trustee.

On April 30, 2018 the Plan purchased 350,000 shares of the Company's common stock with a loan of \$33,000,000 which was financed through the Company (see Note 5) and holds the common stock in a trust established under the Plan. The stock was purchased at a price of \$100.86 per share, for an aggregate purchase price of \$35,300,000. The borrowing is collateralized by the unallocated shares of common stock. The Company has no rights against share of common stock once they are allocated to participants in accordance with the terms of the ESOP. Accordingly, the financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to:

1. the accounts of employees with rights in allocated common stock (allocated) and
2. the common stock not yet allocated to employees (unallocated).

Eligibility

Employees of the Company are eligible to participate in the Plan on the first day of the quarter after obtaining age 21 and completing one year of service. Certain employees are not eligible to participate in the Plan as described in the Plan agreement.

Contributions

The Company is obligated to make contributions in cash to the Plan which, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan. Employees are not permitted to make contributions.

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - DESCRIPTION OF PLAN - Continued

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participant's non-vested accounts. Only those participant who are eligible employees for the Company as of the last day of the Plan year will receive an allocation. Allocations are based on participant's eligible compensation, relative to total eligible compensation. Plan earnings are allocated to each participant's account based on the ratio of the participant's account balance.

Vesting

Participants are 0% vested in their account balance for the first year of service, 20 % for the second year, with a 20% increase each year thereafter, with participants being fully vested in their account balance after six years.

Forfeited Accounts

Forfeitures are reallocated to participants based on their proportionate share of eligible wages. During 2024, 985.7353 shares and \$41,175 of cash were allocated to participants.

Payment of Benefits

Benefits begin to be paid in the year following termination of service due to death, disability, termination, or retirement. Benefit are paid according to the following schedule:

- account value greater than \$800,000 - in equal amounts over five years, plus one additional year (not to exceed five additional years) for each \$160,000 (or fraction thereof) by which the value of the account exceeds \$800,000
- account value greater than \$5,000 - in equal installments over five years
- account value less than \$5,000 - in one lump sum

Participant eligible for equal installments may extend the installment period not to exceed the earlier of the participant's life expectancy or the joint life expectancy of the participant and the participant's designated beneficiary.

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 1 - DESCRIPTION OF PLAN - Continued

Voting Rights

Each participant, under certain circumstances that are mandated by the IRC, is entitled to exercise voting rights attributable to the shares allocated to his or her account. All allocated Company stock as to which instructions have been received, which may include an instruction to abstain, shall be voted by the Trustee in accordance with such instructions, provided that the Trustee may vote the shares as it determines is necessary to fulfill its fiduciary duties under ERISA. The Plan's Administrator shall direct the Trustee how to vote any Company stock in the Trust Fund as to which no voting instructions have been received.

Put Option

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

Diversification

Diversification is offered to participants close to retirement so that they may have the opportunity to move part of the value of their investment in Company common stock into investments which are more diversified. Participants who are at least age 55 and have at least 10 years of service in the Plan, may elect to diversify a portion of their account balance that is invested in Company stock. Diversification is offered to each eligible participant over a six-year period. In each of the first five years, a participant may diversify up to 25% of the number of shares allocated to his or her account. In the sixth year, the percentage changes to 50%. Diversification proceeds can be paid in cash, transferred to another qualified plan maintained by the Company, or, if a participant is eligible, the participant may roll to another qualified account.

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

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

Allocations

The financial statements of the Plan present separately the assets and liabilities and changes therein pertaining to (a) the accounts of employees with rights in allocated stock ("allocated") and (b) stock not yet allocated to employees ("unallocated"), including shares that are committed to be released. Shares are released from collateral and become allocated generally in the period in which debt service is actually paid.

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 2 - SUMMARY OF ACCOUNTING POLICIES - Continued

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value using the valuation methods described in Note 5. Purchases and sales of securities are recorded on a trade date basis. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefit payments are recorded when paid.

Administrative Expenses

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

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

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

Use of Estimates

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

Subsequent Events

The Plan has evaluated subsequent events through October 10, 2025, the date the financial statements were available for issue.

NOTE 3 - INVESTMENT IN COMMON STOCK

Information about the Plan's investment in Carroll Distributing & Construction Supply, Inc. Common stock as of December 31, 2024 and 2023, is as follows:

	<u>2024</u>		<u>2023</u>	
	<u>Allocated</u>	<u>Unallocated</u>	<u>Allocated</u>	<u>Unallocated</u>
Number of shares	187,116.43	162,883.57	168,237.7706	181,762.2294
Cost	\$ 18,872,029	\$ 16,427,971	\$ 16,967,981	\$ 18,332,019
Fair value	\$ 25,472,160	\$ 22,173,340	\$ 23,544,876	\$ 25,437,624

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 4 - FAIR VALUE MEASUREMENTS

The fair value measurement accounting literature establishes a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value. The hierarchy prioritizes the inputs into three broad levels as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities
- Level 2: inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset and liability, either directly or indirectly through market corroboration, for substantially the full term of the financial statement.
- Level 3 inputs are unobservable inputs based on the Plan’s own assumptions used to measure assets and liabilities at fair value.

A financial asset or liability’s classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement.

The following table sets forth by level within the fair value hierarchy of the Plan’s financial assets measured at fair value on a recurring basis as of December 31, 2024 and 2023 and indicates the fair value hierarchy of the valuation techniques used by the Plan to determine such value:

	<u>Fair Value</u>	Fair Value Measurements at the End of the Reporting Period Using Significant Unobservable Inputs (Level 3)
<u>December 31, 2024</u>		
Sponsor company common stock	<u>\$47,645,500</u>	<u>\$47,645,500</u>
<u>December 31, 2023</u>		
Sponsor company common stock	<u>\$48,982,500</u>	<u>\$48,982,500</u>

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2024 and 2023

NOTE 4 - FAIR VALUE MEASUREMENTS - Continued

The following is a description of the valuation techniques used to measure the fair value of the Plan's Level 3 investments, and the significant unobservable inputs utilized. The fair value of the Carroll Distributing & Construction Supply, Inc. Common stock held by the Plan is valued at fair value based upon an independent appraisal.

Description	Fair Value 2024	Fair Value 2023	Principle Valuation Technique	Unobservable Inputs
Common Stock Sponsor Company	\$47,645,500	\$48,982,500	Appraisal- Discounted cash flow (income approach);merger and acquisition method (market approach); guideline public company method (market approach).	Discount for lack of marketability discount for lack of control; long-term growth rate; and weighted average cost of capital

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

Further details of the Plan's Level 3 Fair Value measurement.

	<u>Sponsor Company Common Stock</u>
December 31, 2022	\$47,250,000
Unrealized gain	<u>1,732,500</u>
December 31, 2023	48,982,500
Unrealized loss	<u>(1,337,000)</u>
December 31, 2024	<u>\$47,645,500</u>

Gains and losses included in changes in net assets available for benefits for the year ended December 31, 2024, are reported in net appreciation (depreciation) in fair value of investments.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2024, there were no significant transfers in or out of levels 1, 2, or 3.

CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

NOTE 5 - NOTE PAYABLE

	2024	2023
3.5% note with Carroll Distributing & Construction Supply, Inc. due in annual interest only installments to December 31, 2036; a principal and interest installment of \$1,374,097 on December 31, 2037; and annual principal and interest installments of \$1,774,306 to December 31, 2047. The note is secured by 162,883.57 shares of Carroll Distributing & Supply Inc. The note is secured by common stock.	<u>\$15,584,830</u>	<u>\$19,111,834</u>

The annual maturities of the note payable are as follows:

Year Ending		
2025	\$	-
2026		-
2027		-
2028		-
2029		-
Thereafter		<u>15,584,830</u>
Total	\$	<u>15,584,830</u>

NOTE 6 - INCOME TAXES

The plan has a non-standardized employee stock ownership plan document provided by ESOP Partners LLC. The Plan has not received a determination letter from the Internal Revenue Service regarding its compliance with the Internal Revenue Code, however the plan administrator and Company management believe that the Plan is currently designed and being operated in compliance with applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more than likely would not be sustained upon examination. The Plan administrator has analyzed the tax position taken by the Plan, and has concluded that as of December 31, 2024 and 2023 there were not 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.

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2024 and 2023

NOTE 7 - RISK AND UNCERTAINTIES

The Plan's investments consist of the Company's common stock, which is exposed to various risks, such as interest rate, market, and credit risks as well as valuation assumptions based on earnings, cash flows and other such techniques. Due to the level of risk associated with certain investment in the Company's common stock and to uncertainties inherent in estimates and assumptions, it is at least reasonably possible that changes in the value of the Company's common stock will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

NOTE 8 -RELATED PARTY AND PARTY IN INTEREST TRANSACTIONS

The Plan invests in Company common stock and has a loan payable to the Company. These are related party and party in interest transactions. As described in Note 2, the Company typically pays all plan expenses. The Plan has a number of service providers. Such providers are parties in interest under ERISA.

NOTE 9 - PLAN TERMINATION

The Company reserves the right to terminate the Plan at any time subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participants or his or her beneficiary at the time prescribed by the Plan terms and the IRS. Upon termination of the Plan, the plan administrator should direct the Trustee to pay all liabilities and expense of the trust fund and to sell shares of financed common stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan.

NOTE 10 - COMPANY DISTRIBUTIONS

Distributions on the allocated shares in the amount of \$37,742 were applied to debt service. This is reported as a transfer from the allocated accounts to the unallocated accounts on the Statement of Changes in Net Assets. As required by the plan document, the current appraised value of the shares returned to participant accounts in exchange for the use of such dividends was at least equal to the current value of such dividends.

NOTE 11 - PARTICIPATING COMPANIES

In July 2024, the Sponsor acquired Coleman Materials, LLC.

SUPPLEMENTAL INFORMATION
REQUIRED BY DEPARTMENT OF LABOR

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FORM 5500 SCHEDULE H LINE 4(I) SCHEDULE OF ASSETS (HELD AT END OF YEAR)
42-0822018
PLAN NUMBER 002
December 31, 2024**

<u>(A)</u>	<u>(B) ISSUER</u>	<u>(C) INVESTMENT DESCRIPTION</u>	<u>(D) COST</u>	<u>(E) CURRENT VALUE</u>
	Cedar Rapid Bank & Trust	Cash	\$ 2,359,377	\$ 2,359,377
*	Carroll Distributing & Construction Supply, Inc.	Common stock, 350,000 shares	\$ 35,300,000	\$ 47,645,500

*Party-in-interest as defined by ERISA.

**CARROLL DISTRIBUTING & CONSTRUCTION SUPPLY, INC.
EMPLOYEE STOCK OWNERSHIP PLAN**

**FORM 5500 SCHEDULE H LINE 4(I) SCHEDULE OF ASSETS (HELD AT END OF YEAR)
42-0822018
PLAN NUMBER 002
December 31, 2024**

<u>(A)</u>	<u>(B) ISSUER</u>	<u>(C) INVESTMENT DESCRIPTION</u>	<u>(D) COST</u>	<u>(E) CURRENT VALUE</u>
	Cedar Rapid Bank & Trust	Cash	\$ 2,359,377	\$ 2,359,377
*	Carroll Distributing & Construction Supply, Inc.	Common stock, 350,000 shares	\$ 35,300,000	\$ 47,645,500

*Party-in-interest as defined by ERISA.