

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 (Filers checking this box must provide participating employer information in accordance with the form instructions.) [x] a single-employer plan [] a DFE (specify) ____
B This return/report is: [] the first return/report [] the final return/report [] an amended return/report [] a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. []
D Check box if filing under: [x] Form 5558 [] automatic extension [] the DFVC program [] special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. []

Part II Basic Plan Information—enter all requested information

1a Name of plan: RETIREE MEDICAL PLAN
1b Three-digit plan number (PN): 520
1c Effective date of plan: 01/01/1998
2a Plan sponsor's name (employer, if for a single-employer plan): HALLMARK CARDS, INC.
2b Employer Identification Number (EIN): 44-0272180
2c Plan Sponsor's telephone number: 816-545-6200
2d Business code (see instructions): 424100

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.

3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor HALLMARK WELFARE COMMITTEE 2501 MCGEE KANSAS CITY, MO 64108	3b Administrator's EIN 43-1722352 3c Administrator's telephone number 816-545-6200																				
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	5 134																				
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.....	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="width:10%;">6a(1)</td><td style="text-align: right;">0</td></tr> <tr><td>6a(2)</td><td style="text-align: right;">0</td></tr> <tr><td>6b</td><td style="text-align: right;">92</td></tr> <tr><td>6c</td><td style="text-align: right;">0</td></tr> <tr><td>6d</td><td style="text-align: right;">92</td></tr> <tr><td>6e</td><td></td></tr> <tr><td>6f</td><td></td></tr> <tr><td>6g(1)</td><td></td></tr> <tr><td>6g(2)</td><td></td></tr> <tr><td>6h</td><td></td></tr> </table>	6a(1)	0	6a(2)	0	6b	92	6c	0	6d	92	6e		6f		6g(1)		6g(2)		6h	
6a(1)	0																				
6a(2)	0																				
6b	92																				
6c	0																				
6d	92																				
6e																					
6f																					
6g(1)																					
6g(2)																					
6h																					
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7																				

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

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

9a Plan funding arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input checked="" type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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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 (1) <input type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary (4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____ (5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input checked="" type="checkbox"/> A (Insurance Information) – Number Attached <u> 1 </u> (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> G (Financial Transaction Schedules)
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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 A
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Insurance Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

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

OMB No. 1210-0110

2024

This Form is Open to Public Inspection

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

A Name of plan RETIREE MEDICAL PLAN		B Three-digit plan number (PN) ▶ 520
C Plan sponsor's name as shown on line 2a of Form 5500 HALLMARK CARDS, INC.		D Employer Identification Number (EIN) 44-0272180

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

1 Coverage Information:

(a) Name of insurance carrier
UNITED HEALTHCARE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
36-2739571	79413	902865	150	01/01/2024	12/31/2024

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b Premiums paid to carrier **6b**

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

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

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

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

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

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

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

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

a	Premiums: (1) Amount received	9a(1)		
	(2) Increase (decrease) in amount due but unpaid	9a(2)		
	(3) Increase (decrease) in unearned premium reserve	9a(3)		
	(4) Earned ((1) + (2) - (3))		9a(4)	0
b	Benefit charges (1) Claims paid	9b(1)		
	(2) Increase (decrease) in claim reserves	9b(2)		
	(3) Incurred claims (add (1) and (2))		9b(3)	0
	(4) Claims charged		9b(4)	
c	Remainder of premium: (1) Retention charges (on an accrual basis) --			
	(A) Commissions	9c(1)(A)		
	(B) Administrative service or other fees	9c(1)(B)		
	(C) Other specific acquisition costs	9c(1)(C)		
	(D) Other expenses	9c(1)(D)		
	(E) Taxes	9c(1)(E)		
	(F) Charges for risks or other contingencies	9c(1)(F)		
	(G) Other retention charges	9c(1)(G)		
	(H) Total retention		9c(1)(H)	0
	(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)		9c(2)	
d	Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
	(2) Claim reserves		9d(2)	
	(3) Other reserves		9d(3)	
e	Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a	Total premiums or subscription charges paid to carrier	10a		33777
b	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.	10b		

Specify nature of costs.

Part IV Provision of Information

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

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

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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 RETIREE MEDICAL PLAN	B Three-digit plan number (PN) ▶	520
C Plan sponsor's name as shown on line 2a of Form 5500 HALLMARK CARDS, INC.	D Employer Identification Number (EIN) 44-0272180	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

UNITED HEALTHCARE INSURANCE COMPANY

36-2739571

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12 49 50	CLAIMS PROCESSOR	75270	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)

CBIZ CPAS P.C.

43-1947695

(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 50	AUDITOR	14895	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)

MHM RPS

20-1876798

(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 50	RECORDKEEPER	7650	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"/>

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 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>RETIREE MEDICAL PLAN</u>	B Three-digit plan number (PN)	<u>520</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>HALLMARK CARDS, INC.</u>	D Employer Identification Number (EIN) <u>44-0272180</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE:	<u>HALLMARK RETIREE VEBA MASTER TRUST</u>		
b Name of sponsor of entity listed in (a):	<u>HALLMARK CARDS, INC.</u>		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
<u>44-0272180-502</u>	<u>M</u>		<u>5374693</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan RETIREE MEDICAL PLAN	B Three-digit plan number (PN) ▶ 520
C Plan sponsor's name as shown on line 2a of Form 5500 HALLMARK CARDS, INC.	D Employer Identification Number (EIN) 44-0272180

Part I	Asset and Liability Statement
---------------	--------------------------------------

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

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a	202952	210000
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)	233329	165240
(3) Other	1b(3)	158678	170411
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	4634772	5374693
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	5229731	5920344
Liabilities			
g Benefit claims payable.....	1g	114842	149069
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	114842	149069
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	5114889	5771275

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)		
(B) Participants.....	2a(1)(B)	2471684	
(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)		2471684
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		257672
(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		2729356

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1830847	
(2) To insurance carriers for the provision of benefits	2e(2)	33777	
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1864624
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)	183194	
(3) Recordkeeping fees	2i(3)	7650	
(4) IQPA audit fees	2i(4)	14895	
(5) Investment advisory and investment management fees	2i(5)		
(6) Bank or trust company trustee/custodial fees	2i(6)	2607	
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses.....	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		208346
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		2072970

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		656386
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: CBIZ CPAS P.C.

(2) EIN: 43-1947695

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		10000000
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.)			
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 0.

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 _____.



**RETIREE MEDICAL PLAN
OF HALLMARK CARDS, INCORPORATED**

FINANCIAL STATEMENTS

Years Ended December 31, 2024 and 2023



INDEPENDENT AUDITORS' REPORT

To the Hallmark Benefit Plans Advisory Committee of the
Retiree Medical Plan of Hallmark Cards, Incorporated

Opinion

We have audited the financial statements of the Retiree Medical Plan of Hallmark Cards, Incorporated (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), which comprise the statements of net assets available for benefits and statements of plan benefit obligations as of December 31, 2024 (in liquidation) and 2023 (ongoing), the related statements of changes in net assets available for benefits and statement of changes in plan benefit obligations for the years ended December 31, 2024 (in liquidation) and 2023 (ongoing), and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits and plan benefit obligations of the Plan as of December 31, 2024 (in liquidation) and 2023 (ongoing), and the changes in its net assets available for benefits and plan benefit obligations for the years ended December 31, 2024 (in liquidation) and 2023 (ongoing), 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 ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter – Plan Termination and Liquidation Basis of Accounting

As further discussed in Note 1 to the financial statements, the Welfare Committee of Hallmark Cards, Inc. voted in December 2024 to terminate the Plan effective December 31, 2025. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting from the ongoing plan basis used in presenting the 2023 financial statements to the liquidation basis used in presenting the 2024 financial statements. Our opinion is not modified with respect to that matter.

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 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.

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

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

CBIZ CPAs P.C.

Kansas City, Missouri
October 14, 2025

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2024 and 2023

	2024 (In Liquidation)	2023 (Ongoing)
<u>ASSETS</u>		
Plan interest in Hallmark Retiree Benefit Trust (See Note 4)	<u>\$ 5,374,693</u>	<u>\$ 4,634,772</u>
Deposit	<u>210,000</u>	<u>202,952</u>
Receivables:		
Refunds receivable	170,411	147,623
Prepaid expenses	-	11,055
Retiree contributions	<u>165,240</u>	<u>233,329</u>
	<u>335,651</u>	<u>392,007</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 5,920,344</u></u>	<u><u>\$ 5,229,731</u></u>

See Notes to Financial Statements

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Years Ended December 31, 2024 and 2023

	2024	2023
	<u>(In Liquidation)</u>	<u>(Ongoing)</u>
ADDITIONS		
Investment income:		
Change in Plan's interest in Hallmark Retiree Benefit Trust	\$ 257,672	\$ 198,987
Contributions:		
Retirees	2,471,684	3,349,218
TOTAL ADDITIONS	<u>2,729,356</u>	<u>3,548,205</u>
DEDUCTIONS		
Benefits paid	1,796,620	2,488,667
Insurance premiums paid	33,777	41,606
Administrative expenses	208,346	265,314
TOTAL DEDUCTIONS	<u>2,038,743</u>	<u>2,795,587</u>
NET INCREASE	690,613	752,618
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>5,229,731</u>	<u>4,477,113</u>
End of year	<u>\$ 5,920,344</u>	<u>\$ 5,229,731</u>

See Notes to Financial Statements

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

STATEMENTS OF PLAN BENEFIT OBLIGATIONS

December 31, 2024 and 2023

	2024 (In Liquidation)	2023 (Ongoing)
Amounts currently payable to or for participants and dependents:		
Claims payable	\$ -	\$ 8,335
Other obligations for current benefit coverage, at present value of estimated amounts:		
Claims incurred but not reported	149,069	106,507
TOTAL BENEFIT OBLIGATIONS	\$ 149,069	\$ 114,842

See Notes to Financial Statements

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

STATEMENTS OF CHANGES IN PLAN BENEFIT OBLIGATIONS

Years Ended December 31, 2024 and 2023

	2024	2023
	<u>(In Liquidation)</u>	<u>(Ongoing)</u>
Amounts currently payable to or for participants and dependents:		
Balance at beginning of year	\$ 8,335	\$ 26,156
Increase (decrease) during the year attributable to:		
Claims and premiums reported and approved for payment	1,822,062	2,512,452
Claims and premiums paid	<u>(1,830,397)</u>	<u>(2,530,273)</u>
Balance at end of year	<u>-</u>	<u>8,335</u>
Other obligations for current benefit coverage, at present value of estimated amounts:		
Balance at beginning of year	106,507	247,353
Increase (decrease) during the year attributable to:		
Benefits earned and other changes	<u>42,562</u>	<u>(140,846)</u>
Balance at end of year	<u>149,069</u>	<u>106,507</u>
TOTAL BENEFIT OBLIGATIONS AT END OF YEAR	<u>\$ 149,069</u>	<u>\$ 114,842</u>

See Notes to Financial Statements

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(1) Description of plan

The following description of the Retiree Medical Plan of Hallmark Cards, Incorporated (the "Plan") provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions, which is available from the plan administrator.

General - The Plan was established, effective January 1, 1998, for the purpose of providing retiree medical benefits for employees, and their spouses or domestic partners, who have retired from full-time active employment under the provisions of the Retirement Plan of Hallmark Cards, Incorporated. The Plan is subject to the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plan is a member of the Hallmark Retiree Benefits Trust (the "Trust") and substantially all contributions are made by Hallmark Cards, Incorporated, except for contributions required from Retirees to obtain certain benefits under the Plan. The Trust is intended to qualify as a voluntary employee beneficiary association ("VEBA") under Internal Revenue Code ("IRC") 501(c)(9).

Eligibility - Retired employees of Hallmark Cards, Incorporated, Crown Center Redevelopment Corporation, Hallmark.com, LLC, Hallmark Licensing, LLC, Hallmark Marketing Company, Hallmark Business Expressions, Hallmark Retail Services, Inc. Hallmark Retail, LLC, Hallmark Global Services, LLC, Hallmark Management Services, LLC, Halls LLC (if eligible prior to January 1, 2014) and Litho-Krome Company, LLC (collectively, the "Company") who, for certain grandfathered employees, retire from full time active employment at or after age 50 with 15 vested years of service or age 65 with ten vested years of service, and with ten or more years of continuous participation in the Hallmark Medical Plan immediately preceding their retirement ("Eligible Retirees") are eligible for coverage under the Plan for themselves, and for their spouse or domestic partner, to whom they are married or have completed an approved domestic partner affidavit at the time of their retirement.

Coverage for dependents other than the domestic partner or spouse during retirement is not available under the Plan. Eligible Retirees and spouses or domestic partners who do not elect coverage under the Plan at the time of the employee's retirement are allowed a one-time deferral to enroll at a later date but prior to becoming Medicare eligible. They are not eligible to enroll after that. Eligible Retirees and spouses or domestic partners who terminate coverage for any reason or who fail to make the applicable contributions for Retiree coverage are not eligible to re-enroll at a later date.

Benefits - The Pre-Medicare medical benefit is a self-insured arrangement with UnitedHealthcare ("UHC"). This covers those Eligible Retirees that participate other than those living in Hawaii or Puerto Rico.

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(1) **Description of plan (continued)**

Self-insured benefits - The Hallmark Medical Plan benefit for pre-Medicare Eligible Retirees is self-insured. The claims for self-insured benefits are processed by the Plan's third-party claims processors under administrative services only ("ASO") arrangements. The claims processors pay claims directly to or for participants and are then reimbursed by the Plan's VEBA trust. Despite the Plan's utilization of third-party claims processors, ultimate responsibility for payments to providers and participants is retained by the Plan.

Stop loss coverage - The Plan maintains stop-loss insurance coverage to limit financial exposure from high-cost claims. Under this arrangement, once the total paid amount for an individual participant exceeds \$1,000,000 within a plan year, any amounts above this threshold are absorbed by the stop-loss insurer.

Refunds - Refunds due from the Plan's pharmacy benefit manager are recorded when earned. Refunds due as of the financial statement date have been reported as a receivable, with the offset being netted against claims paid. Pharmacy rebates totaling \$238,321 and \$324,535 have been netted with claims paid in the accompanying statements of changes in net assets available for benefits for the years ended December 31, 2024 and 2023.

Funding - The Company contributes to the Trust the amounts necessary to pay plan benefits timely and pay expenses as they become due.

The Hallmark Benefits Department establishes the amount of contributions required to be made by the Eligible Retiree. The Welfare Committee will notify Eligible Retirees of the required contribution amounts no later than December 1st preceding the plan year for which the contributions are to be effective.

Plan termination - The Company has the right under the Plan to modify the benefits provided to, and contributions required of, participants or to discontinue its contributions at any time and to terminate or partially terminate the Plan subject to the provisions of ERISA. The Welfare Committee of Hallmark Cards, Inc. voted in December 2024 to terminate the Plan effective December 31, 2025. At this time, Trust assets will be applied to pay benefits until such assets are depleted. The Company is obligated to contribute any amounts necessary to pay accrued benefits under the Plan to the extent such benefits were payable prior to the date of termination. After the effective date of the termination, Hallmark will no longer provide coverage to Retirees for medical and prescription drug benefits

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(2) Summary of significant accounting policies

Basis of accounting - The financial statements of the Plan were prepared on the accrual method of accounting for the year ended December 31, 2023, and the liquidation basis of accounting for the year ended December 31, 2024, due to the plan termination described in Note 1 to the financial statements.

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

Payment of benefits - Premiums paid by either the Company or the VEBA trust are recorded as premium payments in the accompanying statements of changes in net assets available for benefits.

Claims payments are recorded when paid by the third-party claims administrators. Amounts due to claims administrators that have yet to be reimbursed by the Plan are recorded as payable to claims administrators in the accompanying statements of plan benefit obligations.

Stop-loss - Premiums for stop-loss insurance are included in premium payments in the accompanying statements of changes in net assets available for benefits. During the years ended December 31, 2024 and 2023, there were no individuals that exceeded the stop-loss threshold.

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. See Note 3 for discussions of fair value measurements.

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

Claims incurred but not reported - Plan obligations for claims incurred but not reported ("IBNR") at December 31, 2024 and 2023 are estimated by the Company using historical claims experience and lag reports from claims data provided by the Plan's third-party administrators. These amounts are paid by the Plan only if claims are submitted and approved for payment.

Administrative expenses - The Plan pays administrative expenses that consist primarily of administrative fees paid to third-party claims administrators and direct bill providers, as well as investment management fees and professional fees. These expenses are reported on the statements of changes in net assets available for benefits as administrative expenses.

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(3) Fair value measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under Financial Accounting Standards Board Accounting Standards Codification 820 are described below:

- 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 and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of 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 and 2023.

Money market fund: Valued at the daily closing price as reported by the fund.

The following tables set forth by level, within the fair value hierarchy, the Trust's investments at fair value as of December 31, 2024 and 2023:

	Investments at Fair Value as of December 31, 2024 (In Liquidation)			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 5,354,256	\$ -	\$ -	\$ 5,354,256
	Investments at Fair Value as of December 31, 2023 (Ongoing)			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 4,614,360	\$ -	\$ -	\$ 4,614,360

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(4) Interest in master trust

The Hallmark Retiree Benefits Trust was established to invest the assets of this Plan and the other welfare benefit plans of the Company. Each welfare plan has a divided interest in the master trust account. Effective December 31, 2021, the Plan became the only Plan participating in the master trust and therefore, the Plan's interest in the net assets of the master trust represents 100%.

The following table presents the net assets for the master trust as of December 31, 2024 and 2023:

	<u>December 31, 2024</u>		<u>December 31, 2023</u>	
	<u>(In Liquidation)</u>		<u>(Ongoing)</u>	
	Master Trust	Plan's Interest in Master Trust	Master Trust	Plan's Interest in Master Trust
Money market funds	\$ 5,354,256	\$ 5,354,256	\$ 4,614,360	\$ 4,614,360
Dividend and interest receivable	20,437	20,437	20,412	20,412
Total	<u>\$ 5,374,693</u>	<u>\$ 5,374,693</u>	<u>\$ 4,634,772</u>	<u>\$ 4,634,772</u>

The following are the changes in net assets for the master trust for the years ended December 31, 2024 and 2023:

	<u>Years Ended December 31,</u>			
	<u>2024</u>		<u>2023</u>	
	<u>(In Liquidation)</u>		<u>(Ongoing)</u>	
	Master Trust	Plan's Interest in Master Trust	Master Trust	Plan's Interest in Master Trust
Changes in net assets:				
Interest income	\$ 257,672	\$ 257,672	\$ 198,987	\$ 198,987
Net investment gain in master trust	257,672	257,672	198,987	198,987
Net transfers	482,249	482,249	754,012	754,012
Increase in net assets	739,921	739,921	952,999	952,999
Net assets:				
Beginning of year	<u>4,634,772</u>	<u>4,634,772</u>	<u>3,681,773</u>	<u>3,681,773</u>
End of year	<u>\$ 5,374,693</u>	<u>\$ 5,374,693</u>	<u>\$ 4,634,772</u>	<u>\$ 4,634,772</u>

(5) Related party and party-in-interest transactions

Certain investments held in the Master Trust are shares of a money market fund managed by State Street Bank. State Street Bank is the trustee as defined by the Plan and therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for trustee and investment management services amounted to \$2,606 and \$2,522 for the years ended December 31, 2024 and 2023, respectively. As described in Note 1, the Plan has several arrangements with service providers. These transactions are party-in-interest transactions under ERISA.

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(6) Income tax status

The VEBA trust funding certain benefits of the Plan received an exemption letter from the Internal Revenue Service (“IRS”) dated March 2, 2002, stating that the Trust is tax-exempt under the provisions of Section 501(c)(9) of the IRC. However, as a result of the Plan’s funding policy, from time to time the Trust may be subject to income taxes.

In addition, the Plan and the Trust are required to operate in conformity with the IRC to maintain the tax-exempt status of the Trust. The Hallmark Benefit Plans Advisory Committee and the Company’s legal department believe that the Trust and the Plan are being operated in compliance with the applicable provisions of the IRC and, therefore, believe that the related Trust is tax-exempt.

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 (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

(7) Reconciliation of financial statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2024 and 2023 to the Form 5500:

	<u>December 31,</u>	
	<u>2024</u>	<u>2023</u>
	<u>(In Liquidation)</u>	<u>(Ongoing)</u>
Net assets available for benefits per the financial statements	\$ 5,920,344	\$ 5,229,731
Benefit obligations currently payable	<u>(149,069)</u>	<u>(114,842)</u>
Net assets available for benefits per the Form 5500	<u>\$ 5,771,275</u>	<u>\$ 5,114,889</u>

The following is a reconciliation of benefits paid per the financial statements to Form 5500 for the years ended December 31, 2024 and 2023:

	<u>Years Ended December 31,</u>	
	<u>2024</u>	<u>2023</u>
	<u>(In Liquidation)</u>	<u>(Ongoing)</u>
Benefits paid per the financial statements	\$ 1,796,620	2,488,667
Add: benefit obligations currently payable	149,069	114,842
Less: benefit obligations payable in prior year	<u>(114,842)</u>	<u>(273,509)</u>
Benefits paid per the Form 5500	<u>\$ 1,830,847</u>	<u>\$ 2,330,000</u>

RETIREE MEDICAL PLAN OF HALLMARK CARDS, INCORPORATED

NOTES TO FINANCIAL STATEMENTS

(7) **Reconciliation of financial statements to Form 5500 (Continued)**

Benefit obligations currently payable are recorded on Form 5500 for those benefit claims that have been processed and approved for payment prior to December 31 but not yet paid as of that date and those claims incurred but not reported at December 31.

(8) **Risks and uncertainties**

The Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risk. 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 these changes could materially affect the amounts reported in the statements of net assets available for benefits.

The actuarial present value of benefit obligations is reported based on certain assumptions pertaining to interest rates, health care 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.

(9) **Subsequent events**

The Plan has evaluated subsequent events through October 14, 2025, which is the date the financial statements were available to be issued and noted the following item for disclosure:

As described in Note 1, the Welfare Committee of Hallmark Cards, Inc. voted in December 2024 to terminate the Plan effective December 31, 2025. After this date, Hallmark will no longer provide coverage to Retirees for medical and prescription drug benefits.