



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2016

OF THE CONDITION AND AFFAIRS OF THE

Medical Benefits Mutual Life Insurance Co.

NAIC Group Code00000000NAIC Company Code74322Employer's ID Number31-4210910

Organized under the Laws ofOHIO, State of Domicile or Port of EntryOH

Country of DomicileUnited States of America

Incorporated/Organized05/06/1938Commenced Business04/04/1938

Statutory Home Office1975 Tamarack RoadNewark , OH, US 43055

Main Administrative Office1975 Tamarack RoadNewark , OH, US 43055740-522-8425

Mail Address1975 Tamarack RoadNewark , OH, US 43055

Primary Location of Books and Records1975 Tamarack RoadNewark , OH, US 43055740-522-8425

Internet Website Addresswww.medben.com

Statutory Statement ContactJohn Edward Nydegger, Jr.740-522-7317

OFFICERS

CEO Douglas James FreemanVice President of Finance & Controller John Edward Nydegger Jr.

President/Treasurer Kurt Jeffrey Harden

OTHER

Caroline Fischer Rouse Fraker, VP, Compliance & Chief Privacy Officer

Lori Kane, Vice President

Rose McEntire, Vice President & Chief Security Officer

DIRECTORS OR TRUSTEES

J. Scott CantleyCharles Daniel DelawderNancy Shrider Dix

Douglas James FreemanKurt Jeffrey HardenAndrew Stevens Dix

Jay Christopher Warden

State ofOhioSS:

County ofLicking

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Douglas James FreemanKurt Jeffrey HardenJohn Edward Nydegger, Jr.

CEOPresident/TreasurerVice President of Finance & Controller

Subscribed and sworn to before me this day of

a. Is this an original filing? Yes [ X ] No [ ]

b. If no,

1. State the amendment number.....

2. Date filed .....08/15/2016

3. Number of pages attached.....

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	5,093,466		5,093,466	5,648,527
2. Stocks:				
2.1 Preferred stocks .....	500		500	500
2.2 Common stocks .....	6,055,635	2,445	6,053,190	5,889,486
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....	1,617,937		1,617,937	1,890,366
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....(76,898) ), cash equivalents (\$ ..... ) and short-term investments (\$ .....1,590,135 ) .....	1,513,237		1,513,237	1,319,214
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....			0	0
8. Other invested assets .....			0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	14,280,775	2,445	14,278,330	14,748,093
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	15,388		15,388	16,217
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	1,582		1,582	18,066
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	2,002
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....	25,230	0	25,230	79,059
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....	1,542,000	1,095,000	447,000	447,000
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....	129,985	123,050	6,935	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	16,404	16,404	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	605,030		605,030	390,804
24. Health care (\$ ..... ) and other amounts receivable .....	67,718		67,718	20,166
25. Aggregate write-ins for other than invested assets .....	1,033,520	244,831	788,689	745,874
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	17,717,632	1,481,730	16,235,902	16,467,281
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27)	17,717,632	1,481,730	16,235,902	16,467,281
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Cash Surrender Value of Officers Life Insurance .....	788,689	0	788,689	745,874
2502. Prepaid Expenses and Deposits .....	244,831	244,831	0	0
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	1,033,520	244,831	788,689	745,874

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$ ..... less \$ ..... included in Line 6.3 (including \$ ..... Modco Reserve) .....		0
2. Aggregate reserve for accident and health contracts (including \$ ..... Modco Reserve) .....		0
3. Liability for deposit-type contracts (including \$ ..... Modco Reserve) .....		
4. Contract claims:		
4.1 Life .....	60,000	60,000
4.2 Accident and health .....	544,514	845,779
5. Policyholders' dividends \$ ..... and coupons \$ ..... due and unpaid .....		0
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ ..... Modco) .....		
6.2 Dividends not yet apportioned (including \$ ..... Modco) .....		
6.3 Coupons and similar benefits (including \$ ..... Modco) .....		
7. Amount provisionally held for deferred dividend policies not included in Line 6 .....		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ ..... discount; including \$ ..... accident and health premiums .....	58,104	84,079
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts .....		
9.2 Provision for experience rating refunds, including the liability of \$ ..... accident and health experience rating refunds of which \$ .....0 is for medical loss ratio rebate per the Public Health Service Act .....		
9.3 Other amounts payable on reinsurance, including \$ ..... assumed and \$ ..... ceded .....	0	0
9.4 Interest Maintenance Reserve .....	(1,502)	(1,538)
10. Commissions to agents due or accrued-life and annuity contracts \$ ..... , accident and health \$ ..... and deposit-type contract funds \$ ..... .....	8,658	9,531
11. Commissions and expense allowances payable on reinsurance assumed .....		
12. General expenses due or accrued .....	2,622,254	2,754,624
13. Transfers to Separate Accounts due or accrued (net) (including \$ ..... accrued for expense allowances recognized in reserves, net of reinsured allowances) .....		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes .....	24,574	47,025
15.1 Current federal and foreign income taxes, including \$ ..... on realized capital gains (losses) .....		
15.2 Net deferred tax liability .....		
16. Unearned investment income .....		
17. Amounts withheld or retained by company as agent or trustee .....	5,000	5,000
18. Amounts held for agents' account, including \$ ..... agents' credit balances .....		
19. Remittances and items not allocated .....		
20. Net adjustment in assets and liabilities due to foreign exchange rates .....		
21. Liability for benefits for employees and agents if not included above .....		
22. Borrowed money \$ ..... and interest thereon \$ ..... .....		55,888
23. Dividends to stockholders declared and unpaid .....		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve .....	1,027,147	1,009,787
24.02 Reinsurance in unauthorized and certified (\$ ..... ) companies .....		0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$ ..... ) reinsurers .....		
24.04 Payable to parent, subsidiaries and affiliates .....	296,475	315,810
24.05 Drafts outstanding .....		
24.06 Liability for amounts held under uninsured plans .....	202,475	246,339
24.07 Funds held under coinsurance .....		
24.08 Derivatives .....	0	0
24.09 Payable for securities .....		
24.10 Payable for securities lending .....		
24.11 Capital notes \$ ..... and interest thereon \$ ..... .....		
25. Aggregate write-ins for liabilities .....	30,000	30,000
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25) .....	4,877,699	5,462,325
27. From Separate Accounts Statement .....		
28. Total liabilities (Lines 26 and 27) .....	4,877,699	5,462,325
29. Common capital stock .....		
30. Preferred capital stock .....		
31. Aggregate write-ins for other than special surplus funds .....	0	0
32. Surplus notes .....		
33. Gross paid in and contributed surplus .....		
34. Aggregate write-ins for special surplus funds .....	0	0
35. Unassigned funds (surplus) .....	11,358,204	11,004,957
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 29 \$ ..... ) .....		
36.2 ..... shares preferred (value included in Line 30 \$ ..... ) .....		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ ..... in Separate Accounts Statement) .....	11,358,204	11,004,957
38. Totals of Lines 29, 30 and 37 .....	11,358,204	11,004,957
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3) .....	16,235,903	16,467,282
<b>DETAILS OF WRITE-INS</b>		
2501. Claims Adjustment Liability .....	30,000	30,000
2502. Liability for Negative Equity in Subsidiary .....		0
2503. Liability for Amounts Held for Employee Claims Reserve .....		0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above) .....	30,000	30,000
3101. ....		0
3102. ....		0
3103. ....		0
3198. Summary of remaining write-ins for Line 31 from overflow page .....	0	0
3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above) .....	0	0
3401. ....		0
3402. ....		0
3403. ....		0
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above) .....	0	0

SUMMARY OF OPERATIONS

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Premiums and annuity considerations for life and accident and health contracts .....	1,447,880	2,974,963	5,495,811
2. Considerations for supplementary contracts with life contingencies .....			
3. Net investment income .....	(45,968)	2,563	(196,962)
4. Amortization of Interest Maintenance Reserve (IMR) .....	(36)	36	
5. Separate Accounts net gain from operations excluding unrealized gains or losses .....			54
6. Commissions and expense allowances on reinsurance ceded .....			
7. Reserve adjustments on reinsurance ceded .....			
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts .....			
8.2 Charges and fees for deposit-type contracts .....			
8.3 Aggregate write-ins for miscellaneous income .....	1,778,716	1,520,134	3,168,444
9. Totals (Lines 1 to 8.3) .....	3,180,592	4,497,696	8,467,347
10. Death benefits .....	20,000	22,500	47,500
11. Matured endowments (excluding guaranteed annual pure endowments) .....			0
12. Annuity benefits .....			0
13. Disability benefits and benefits under accident and health contracts .....	810,618	1,743,067	3,293,951
14. Coupons, guaranteed annual pure endowments and similar benefits .....			
15. Surrender benefits and withdrawals for life contracts .....			
16. Group conversions .....			
17. Interest and adjustments on contract or deposit-type contract funds .....			
18. Payments on supplementary contracts with life contingencies .....			
19. Increase in aggregate reserves for life and accident and health contracts .....			
20. Totals (Lines 10 to 19) .....	830,618	1,765,567	3,341,451
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) .....	70,670	171,368	284,954
22. Commissions and expense allowances on reinsurance assumed .....			
23. General insurance expenses .....	2,240,720	2,459,531	4,601,928
24. Insurance taxes, licenses and fees, excluding federal income taxes .....	24,864	132,159	213,547
25. Increase in loading on deferred and uncollected premiums .....			
26. Net transfers to or (from) Separate Accounts net of reinsurance .....			
27. Aggregate write-ins for deductions .....	0	0	0
28. Totals (Lines 20 to 27) .....	3,166,872	4,528,625	8,441,880
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28) .....	13,720	(30,929)	25,467
30. Dividends to policyholders .....			0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30) .....	13,720	(30,929)	25,467
32. Federal and foreign income taxes incurred (excluding tax on capital gains) .....		(12,783)	24,614
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) .....	13,720	(18,146)	853
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ ..... (excluding taxes of \$ ..... transferred to the IMR) .....	37,777	14,878	49,184
35. Net income (Line 33 plus Line 34) .....	51,497	(3,268)	50,037
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year .....	11,004,957	11,203,610	11,203,610
37. Net income (Line 35) .....	51,497	(3,268)	50,037
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....	103,722	264,792	108,443
39. Change in net unrealized foreign exchange capital gain (loss) .....			
40. Change in net deferred income tax .....			
41. Change in nonadmitted assets .....	209,268	225,309	(53,938)
42. Change in liability for reinsurance in unauthorized and certified companies .....			
43. Change in reserve on account of change in valuation basis, (increase) or decrease .....			0
44. Change in asset valuation reserve .....	(17,360)	(109,999)	(115,500)
45. Change in treasury stock .....			0
46. Surplus (contributed to) withdrawn from Separate Accounts during period .....			
47. Other changes in surplus in Separate Accounts Statement .....			
48. Change in surplus notes .....			
49. Cumulative effect of changes in accounting principles .....			
50. Capital changes:			
50.1 Paid in .....			
50.2 Transferred from surplus (Stock Dividend) .....			
50.3 Transferred to surplus .....			
51. Surplus adjustment:			
51.1 Paid in .....	0	0	0
51.2 Transferred to capital (Stock Dividend) .....			
51.3 Transferred from capital .....			
51.4 Change in surplus as a result of reinsurance .....			
52. Dividends to stockholders .....			
53. Aggregate write-ins for gains and losses in surplus .....	6,119	0	(187,695)
54. Net change in capital and surplus for the year (Lines 37 through 53) .....	353,246	376,834	(198,654)
55. Capital and surplus, as of statement date (Lines 36 + 54) .....	11,358,203	11,580,444	11,004,957
DETAILS OF WRITE-INS			
08.301. Miscellaneous .....	681,670	573,092	1,277,803
08.302. Fee Income .....	132,000	63,771	102,751
08.303. Management Fee Income .....	965,046	883,271	1,787,890
08.398. Summary of remaining write-ins for Line 8.3 from overflow page .....	0	0	0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above) .....	1,778,716	1,520,134	3,168,444
2701. ....			0
2702. ....			0
2703. ....			0
2798. Summary of remaining write-ins for Line 27 from overflow page .....	0	0	0
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above) .....	0	0	0
5301. Adjusted to non-admitted asset PY .....			0
5302. Adjusted to non-admitted asset to tie to TB (Change in nonadmitted asset Ln 41) .....	6,119		(187,695)
5303. ....			0
5398. Summary of remaining write-ins for Line 53 from overflow page .....	0	0	0
5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above) .....	6,119	0	(187,695)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	1,438,389	2,947,317	5,306,453
2. Net investment income .....	(28,452)	82,328	(35,571)
3. Miscellaneous income .....	1,778,716	1,520,134	3,168,498
4. Total (Lines 1 to 3) .....	3,188,653	4,549,779	8,439,380
5. Benefit and loss related payments .....	1,112,083	1,980,045	3,842,757
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	2,424,554	4,254,533	6,530,232
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	(292,087)	(381,386)
10. Total (Lines 5 through 9) .....	3,536,637	5,942,491	9,991,603
11. Net cash from operations (Line 4 minus Line 10) .....	(347,984)	(1,392,712)	(1,552,223)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	1,223,292	830,757	1,539,410
12.2 Stocks .....	164,073	95,016	182,764
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	14,878	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	1,387,365	940,651	1,722,174
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	684,915	324,933	875,147
13.2 Stocks .....	186,156	233,497	550,819
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	(210,000)	(396,500)	(262,171)
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	661,071	161,930	1,163,795
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	726,294	778,721	558,379
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0	0
16.3 Borrowed funds .....	(55,888)	(425,000)	(369,112)
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied) .....	(128,398)	37,158	(443,625)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(184,286)	(387,842)	(812,737)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	194,024	(1,001,833)	(1,806,582)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	1,319,213	3,125,795	3,125,795
19.2 End of period (Line 18 plus Line 19.1) .....	1,513,237	2,123,962	1,319,213

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS			
	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
1. Industrial life .....			0
2. Ordinary life insurance .....			0
3. Ordinary individual annuities .....			0
4. Credit life (group and individual) .....			0
5. Group life insurance .....	125,820	141,326	266,958
6. Group annuities .....			0
7. A & H - group .....	1,373,297	3,087,260	5,386,404
8. A & H - credit (group and individual) .....			0
9. A & H - other .....			0
10. Aggregate of all other lines of business .....	0	0	0
11. Subtotal .....	1,499,117	3,228,586	5,653,362
12. Deposit-type contracts .....	0		0
13. Total	1,499,117	3,228,586	5,653,362
DETAILS OF WRITE-INS			
1001. ....			
1002. ....			
1003. ....			
1098. Summary of remaining write-ins for Line 10 from overflow page .....	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

Medical Benefits Mutual Life Insurance Co. is owned by its policyholders and provides health, life, dental, vision, and other insurance products for its policyholders and customers throughout Ohio, Indiana, Kentucky, Michigan, Pennsylvania, West Virginia, and several other states.

Medical Benefits Mutual Life Insurance Co., the parent organization, provides health, life, and other insurance products to its policyholders. Medical Benefits Administrators, Inc. (MBA), a wholly owned subsidiary of the Company, is a third party administrator for health and health related employee benefit plans. VisionPlus of America, Inc. (VPA), a wholly owned subsidiary of the Company, is a third party administrator for vision benefit claims. MedBen Marketing Services, Inc. (MMS), a wholly owned subsidiary of the Company, is an insurance agency that markets various life, medical, and other insurance products. MedBen Analytics, LLC, a majority owned subsidiary of Medical Benefits Administrators, Inc., is an administrator of bundled payments for existing health systems participating in the Centers for Medicare and Medicaid Services Bundled Payments for Care Improvement Initiative.

A summary of the major accounting policies followed by the Company in the preparation of the statutory financial statement is set forth below:

A. Accounting Practices

The financial statements of Medical Benefits Mutual Life Insurance Co. are presented on the basis Statutory Accounting Principles method as prescribed by the National Association of Insurance Commissioners (NAIC).

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The NAIC Accounting Practices and Procedures Manual (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The State has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. However, the Company has elected not to adopt any of these permitted practices.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

	State of Domicile	2016	2015
<b>Net Income - Ohio Basis</b>	OH	\$ 51,498	\$ 50,036
State Prescribed Practices - None	OH		
State Permitted Practices - None	OH		
<b>Net Income - NAIC SAP</b>	OH	\$ 51,498	\$ 50,036
<b>Statutory Surplus - Ohio Basis</b>	OH	\$ 11,358,204	\$ 11,004,957
State Prescribed Practices - None	OH		
State Permitted Practices - None	OH		
<b>Statutory Surplus - NAIC SAP</b>	OH	\$ 11,358,204	\$ 11,004,957

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions could change in the near future as more information becomes known and could have a material impact on the amounts reported.

C. Accounting Policy

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Life premiums are recognized as income over the premium paying period of the related policies. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest, mortality, morbidity, and expense experience for the period and judgment as to the appropriate level of statutory surplus to be retained by the Company. There were no policyholder dividends for 2015 or 2014.

Real estate investments are classified in the balance sheet as properties occupied by the company, properties held for the production of income, and properties held for sale. Properties occupied by the company are carried at depreciated cost less encumbrances. The Company currently does not hold any properties for the production of income or for sale. Fair values of the properties occupied by the company will be measured only if circumstances indicate that the financial condition of the Company is in question.

In addition, the company uses the following accounting policies:

1. Short-term investments are stated at amortized cost.
2. Bonds not backed by other loans are stated at amortized cost using the interest method.
3. Common stocks are stated at market value. Common stock of three wholly owned non-insurance subsidiaries are valued under Statutory Accounting Principles, with adjustments for statutory valuation rules as prescribed by these principles.
4. Preferred stocks are stated at cost.
5. The Company does not have any mortgage loans on real estate to report in 2016 or 2015.
6. Mortgage-backed securities are stated at amortized cost.
7. The Company reports its three wholly owned subsidiaries, MBA, VPA, and MMS at statutory surplus. One of these companies, VPA, a non-insurance company, is reported at audited GAAP (Generally Accepted Accounting Principles) equity and is adjusted, where applicable, in accordance with statutory invested asset valuation rules. The two other companies, MMS and MBA, are reported at GAAP equity, with no adjustments for statutory investment valuation rules.
8. The Company has no interest in joint ventures.
9. The Company does not have any derivatives in 2016 or 2015.
10. The Company does not calculate for premium deficiency reserves.
11. Liabilities for losses and loss claim adjustment expenses for life, accident and health contracts are estimated by the Company's valuation actuary using statistical claim development models to develop best estimates for liabilities for medical expense businesses and using tabular reserves employing mortality/morbidity tables and discount rates specified by regulatory authorities for life and disability income business.
12. The Company has not modified its capitalization policy from the prior period.
13. Pharmaceutical Rebates Receivable – Not applicable.

D. Going Concern - None



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Not applicable

### NOTE 3 – BUSINESS COMBINATIONS AND GOODWILL

Not applicable

### NOTE 4 – DISCONTINUED OPERATIONS

Not applicable

### NOTE 5 – INVESTMENTS

#### A. Mortgage Loans

The Company does not have any mortgage loans.

#### B. Debt Restructuring

The Company has no invested assets that are restructured debt.

#### C. Reverse Mortgages

The Company has no investment in reverse mortgages.

#### D. Loan Backed Securities

1. Prepayment assumptions for single class and multi-class mortgages-backed/asset-backed securities were obtained from broker dealer statement values.

2. Recognized OTTI, intent to sell or inability to hold.

None

3. Recognized OTTI securities, present value of cash flows less than amortized cost.

None

4. Impaired securities for which an OTTI has not been recognized.

None

5. Management evaluates securities for other-than-temporary impairment at least on a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Consideration is given to (1) length of time and the extent to which the fair value has been less than cost, (2) the financial condition and near-term prospects of the issuer, and (3) the intent and ability of the Company to retain its investment in the issuer for a period of time sufficient to allow for any anticipated recovery in fair value. Based on the Company's evaluation and the intent and ability to hold these investments for a reasonable period of time sufficient for a forecasted recovery of fair value, the Company does not consider these investments to be other-than-temporarily impaired at June 30, 2016 and December 31, 2015.

#### E. Repurchase Agreements and/or Securities Lending Transactions

1. Repurchase agreements are included in cash and short-term investments. The open period-end balances are \$1,018,154 and \$1,038,193 as of June 30, 2016 and December 31, 2015, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 5 – INVESTMENTS (continued)

2. The Company’s repurchase agreements are fully collateralized by their underlying securities.
3. There was no collateral received at quarter end.
4. The Company has no securities lending agreements at period end; therefore, it has not reported any assets on Page 2, Line 10 – Securities Lending Reinvested Collateral Assets.
5. The underlying securities of the repurchase agreements are \$1,018,154 and \$1,038,193 as of June 30, 2016 and December 31, 2015, respectively. The Company does not have any Securities Lending Agreements.

F. Real Estate

1. There were no impairment losses recorded on real estate investments during the period presented.
2. No real estate was held for sale or sold in the years 2016 and 2015.
3. There were no changes during the period in the Company’s plans to sell investment real estate.
4. The Company does not engage in retail land sales operations.
5. The Company holds no real estate investments with participating loan features.

G. Low-Income Housing

The Company has no investment in Low-Income Housing.

H. Restricted Assets

		General Account	Total Separate Account	Total	Total Prior Year	Inc/(Dec)	Total Current Year Admitted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a	Subject to contractual obligation			-		-	-	0.00%	0.00%
b	Collateral held under security lending			-		-	-	0.00%	0.00%
c	Subject to repurchase agreements			-		-	-	0.00%	0.00%
d	Subject to reverse repurchase agreements			-		-	-	0.00%	0.00%
e	Subject to dollar repurchase agreements			-		-	-	0.00%	0.00%
f	Subject to dollar reverse repurchase agreements			-		-	-	0.00%	0.00%
g	Placed under option contracts			-		-	-	0.00%	0.00%
h	Securities restricted as to sale - excluding FHLB			-		-	-	0.00%	0.00%
i	FHLB capital stock			-		-	-	0.00%	0.00%
j	On deposit with states	13,876,607	2,359,296	16,235,903	16,467,283	(231,379)	2,359,296	91.57%	14.53%
k	On deposit with other regulatory bodies			-		-	-	0.00%	0.00%
l	Pledged collateral to FHLB			-		-	-	0.00%	0.00%
m	Pledged as collateral not captured in other			-		-	-	0.00%	0.00%
n	Other restricted assets			-		-	-	0.00%	0.00%
	Total Restricted Assets	13,876,607	2,359,296	16,235,903	16,467,283	(231,379)	2,359,296		

I. Working Capital Finance Investments

The Company has no investment in Working Capital Finance Investments.

J. Offsetting and Netting of Assets and Liabilities

The Company has no offsetting and netting of assets and liabilities.

K. Structured Notes

The Company has no investment in structured notes.

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

The Company has no investments in joint ventures, partnerships, or limited liability companies.

NOTE 7 - INVESTMENT INCOME

A. Due and accrued income was excluded from surplus on the following bases:

Investment income is recognized on an as earned basis. Amounts earned but not yet received are recorded as a receivable on the balance sheet. Investment income earned and uncollected that is more than 90 days old is classified as non-admitted. As of June 30, 2016 and December 31, 2015, investment income earned and not yet collected was \$15,388 and \$16,217, respectively. There were no amounts older than 90 days for both periods.

B. The total amount excluded was \$0.

NOTE 8 – DERIVATIVE INSTRUMENTS

Not applicable

NOTE 9 – INCOME TAXES

A. The components of the net deferred tax asset/ (liability) at December 31, 2015 are as follows:

1.

	6/30/2016			12/31/2015			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
a. Gross Deferred Tax Assets	2,327,000	-	2,327,000	2,327,000	-	2,327,000	-	-	-
b. Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a-1b)	2,327,000	-	2,327,000	2,327,000	-	2,327,000	-	-	-
d. Deferred Tax Assets Nonadmitted	1,095,000	-	1,095,000	1,095,000	-	1,095,000	(0)	-	(0)
e. Subtotal net Admitted Deferred Tax Assets (1c-1d)	1,232,000	-	1,232,000	1,232,000	-	1,232,000	0	-	0
f. Deferred Tax Liabilities	785,000	-	785,000	785,000	-	785,000	-	-	-
g. Net Admitted Deferred Tax Assets/(Net Deferred Liability) (1e-1f)	447,000	-	447,000	447,000	-	447,000	0	-	0

2.

	6/30/2016			12/31/2015			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
a. Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks		-	-	-	-	-	-	-	-
b. Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b) 1 and 2(b) 2 Below)	447,000	-	447,000	447,000	-	447,000	0	-	0
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	447,000	-	447,000	447,000	-	447,000	0	-	0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	-	XXX	XXX	-	XXX	XXX	-
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	785,000	-	785,000	785,000	-	785,000	-	-	-
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2a+2b+2c)	1,232,000	-	1,232,000	1,232,000	-	1,232,000	0	-	0

3.

	2015	2014
a. Ratio Percentage used to determine Recovery Period and Threshold Limitation Amount	1188%	1181%
b. Amount of Adjusted Capital and Surplus used to determine Recovery period and Threshold Limitation in 2(b) 2 above	12,014,744	12,097,897

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – INCOME TAXES (continued)

4.

	6/30/2016			12/31/2015			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary percent	Capital Percent	(Col 1+2) Total Percent	Ordinary percent	Capital Percent	(Col 1+2) Total Percent	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
Impact of Tax Planning Strategies									
a. Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
b. Net Admitted Adjusted Gross DTAs (% of Total net Admitted Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%
c. Does the Company’s tax planning strategies include the use of reinsurance?			Yes		No	X			

B. Regarding deferred tax liabilities that are not recognized - NONE

C. Current and deferred income taxes consist of the following major components:

1. Current Income Tax:

	1	2	3
	6/30/2016	12/31/2015	(Col 1-2) Change
a. Federal	65,998	65,998	-
b. Foreign	-	-	-
c. Subtotal	65,998	65,998	-
d. Federal income tax on net capital gains	(23,534)	(23,534)	-
e. Utilization of capital loss carry-forwards	-	-	-
f. Other	-	-	-
g. Federal and foreign income taxes incurred	42,464	42,464	-

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – INCOME TAXES (continued)

2. Deferred Tax Assets:

	1	1	3
	6/30/2016	12/31/2015	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	2,000	2,000	-
2. Unearned premium reserve	22,000	22,000	-
3. Policyholder reserves	-	-	-
4. Investments	154,000	154,000	-
5. Deferred acquisition costs	4,000	4,000	-
6. Policyholder dividends accrual			-
7. Fixed assets	-	-	-
8. Compensation and benefits accrual	827,000	827,000	-
9. Pension accrual			-
10. Receivables - non admitted	6,000	6,000	-
11. Net operating loss carry-forward	1,219,000	1,219,000	-
12. Tax credit carry-forward			-
13. Other (including items <5% of total ordinary tax assets)	203,000	203,000	-
14. Other assets - nonadmitted			-
99. Subtotal	2,437,000	2,437,000	-
b. Statutory valuation allowance adjustment	-	-	-
c. Nonadmitted	1,205,000	1,205,000	-
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	1,232,000	1,232,000	-
e. Capital:			
1. Investments	-	-	-
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (including items <5% of total cpaital tax assets)	-	-	-
99. Subtotal	-	-	-
f. Statutory valuation allowance adjustment	-	-	-
g. Non admitted	-	-	-
h. Admitted capital deferred tax assets (2e99-2f-2g)	-	-	-
i. Admitted deferred tax assets (2d+2h)	1,232,000	1,232,000	-

NOTES TO FINANCIAL STATEMENTS

NOTE 9 – INCOME TAXES (continued)

3. Deferred Tax Liabilities:

	1	2	3
	6/30/2016	12/31/2015	(Col 1-2) Change
a. Ordinary:			
1. Investments	812,000	812,000	-
2. Fixed assets	108,000	108,000	-
3. Deferred and uncollected premium			-
4. Policyholder reserves	-	-	-
5. Other (including items <5% of total ordinary tax assets)	-	-	-
99. Subtotal	920,000	920,000	-
b. Capital			
1. Investments	-	-	-
2. Real estate	-	-	-
3. Other (including items <5% of total capital tax assets)	-	-	-
99. Subtotal	-	-	-
c. Deferred tax liabilities (3a99+3b99)	920,000	920,000	-

4. Net Deferred Tax Assets/Liabilities (2i-3c) \$312,000 \$312,000 \$0

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate  
Among the more significant book to tax adjustments were the following:

	6/30/2016	
	Amounts	Effective Tax Rate (%)
Provisions computed at statutory rate	25,330	34.0
Tax exempt interest deduction	(15,891)	(10.9)
Dividends received deduction	(22,404)	(15.7)
Disallowed travel and entertainment	6,925	1.1
Change in nonadmitted assets	82,155	(10.6)
Other tax differences	(47,237)	28.9
Realized capital gains (losses) tax	15,533	7.2
Officer Life Insurance-net	(13,827)	(8.0)
Change in net deferred income taxes	(6,120)	11.5
Total statutory income taxes	24,464	37.5
	2015	2014
Standard Federal income tax rate	34.0%	34.0%
Various Differences	-1.2%	3.5%
	32.8%	37.5%

**NOTES TO FINANCIAL STATEMENTS**

NOTE 9 – INCOME TAXES (continued)

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

1. Net operating loss carryovers that are available for offsetting future net taxable income, amount to:

Year	Amount
2015	3,586,000
2014	3,728,000
2013	3,661,000
2012	-
2011	402,000

2. The Company does not have any tax credit carryforwards available for use.
3. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

1. The Company’s federal income tax return is consolidated with the following entities:
- Medical Benefits Administrators, Inc.  
Vision Plus of America, Inc.  
MedBen Marketing Services, Inc.  
MedBen Analytics LLC
2. A written tax sharing consolidation agreement is approved by management. Allocation is based upon separate return calculations and the consolidated tax return calculation.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

- A. B. and C. The Company is the parent corporation of three wholly owned non-insurance subsidiaries which shares the same management. MBA and VPA are third party administrators (TPA’s) that administer claims in the medical and vision fields. MMS is an insurance agency that markets various life, medical, and other insurance products. No dividend income was reported in 2016 or 2015. MedBen Analytics, LLC, a majority owned subsidiary of Medical Benefits Administrators, Inc., is an administrator of bundled payments for existing health systems participating in the Centers for Medicare and Medicaid Services Bundled Payments for Care Improvement Initiative.
- D. At June 30, 2016, the Company reported \$605,002 as accounts and notes receivable from affiliates. The Company reported \$296,475 as accounts and notes payable to affiliates.
- E. Not applicable.
- F. There are no material management or service contracts and cost-sharing arrangements involving the Company and any related party.
- G. The Company is privately held and has no issued or outstanding shares. MBA, VPA, and MMS issued and outstanding shares are owned by the company. The valuation of these affiliates was

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES (continued)

determined under GAAP, with adjustments for statutory valuation rules, as prescribed by Statutory Accounting Principles.

- H. Not applicable.
- I. The Company's investment in its three subsidiaries is less than 10% of its admitted assets.
- J. The Company did not recognize any impairment write-down for its investments in subsidiary companies during this statement period.
- K. The Company has no investments in foreign insurance subsidiaries.
- L. The Company has no investments in downstream noninsurance holding companies.

### NOTE 11 – DEBT

- A. The Company has no debentures outstanding.

The Company has a line-of-credit with a maximum amount of \$1,000,000 and an interest rate equal to prime (currently 4%). This line-of-credit is collateralized by a first mortgage on real estate owned by the Company. There was an outstanding balance of \$510,000 and \$300,000 at June 30, 2016 and December 31, 2015, respectively.

The Company has a \$1,000,000 unsecured revolving credit line with a bank that was unused at June 30, 2016 and December 31, 2015. The agreement provides for interest at a rate equal to prime (currently 4.0%).

The Company, through one of its subsidiaries (VPA), also has a line of credit with a maximum amount of \$200,000 with an interest rate equal to prime (currently 4.0%). This line is unsecured, but is guaranteed by the parent. There was no outstanding balance at June 30, 2016 and December 31, 2015.

The Company does not have any reverse repurchase agreements.

- B. The Company does not have any FHLB agreements.

### NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT PLANS

- A. Defined Benefit Plan - NONE

- B. Defined Contribution Plans

The Company currently has deferred compensation plans for specified key employees and for Board members. Effective January 1, 2013, the Board of Directors made a determination to indefinitely suspend the grant of further units and appreciation in the equity of the Company.

The Equity Participation Plan for key employees is a discretionary plan that rewards key employees with long term service to the Company. The plan shares the appreciation of equity of the Company, through December 31, 2012, with certain employees. The employee's share of the compensation vests over a ten year period, and is payable upon normal retirement, which is usually age 65. In the event that an employee terminates employment, either voluntarily or non-voluntarily, before age 65, the employee shall not be entitled to any payments at the time of termination, and forfeits his/her right to any future benefits under the plan.

The Company has estimated the present value of this liability to be \$1,776,140 at June 30, 2016 and December 31, 2015, respectively.



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT PLANS (continued)

The Equity Participation Plan for the Directors is similar to the one for key employees, in terms of vesting, normal retirement age, and termination of directorship. The Company has estimated the present value of this liability to be \$264,482 and 623,330 at June 30, 2016 and December 31, 2015, respectively.

The liabilities for the deferred compensation plans have been included in accrued liabilities, “salaries and wages,” on the consolidated balance sheets.

The Company has a profit-sharing plan with a 401(k) feature. The plan covers all employees meeting minimum eligibility requirements. Profit-sharing contributions are determined by the Board of Directors and were 4.0% of eligible compensation for 2015 and 2.5% for 2014. The Company may match up to 50% of the first 6% salary deferral elected by each employee. The Company’s discretionary and matching contributions charged to operations for the periods ended June 30, 2016 and December 31, 2015, \$19,302 and \$75,687, respectively.

C. The Company does not participate in a multi employee plan.

#### D. Consolidated/Holding Company Plans

The Company has no legal obligation for benefits under these plans. Employees of subsidiary companies participate in the plans sponsored by the Company.

E. The Company has an arrangement whereby it provides deferred compensation and post-retirement health coverage to retired board members. Benefits are payable over a period not to exceed five years. The Company estimates the present value of the liability to be \$370,708 and \$393,391 at June 30, 2016 and December 31, 2015, respectively.

F. The Medicare Modernization Act has no impact on the Company’s post-retirement benefits.

### NOTE 13 – CAPITAL AND SURPLUS, SHAREHOLDERS’ DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

1. The Company does not have any common stock issued or outstanding.
2. The Company does not have any preferred stock issued or outstanding.
3. The amount of dividends to be paid to policyholders is determined annually by the Company’s Board of Directors. The aggregate amount of policyholders’ dividends is related to actual interest, mortality, morbidity, and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.
4. No dividends were paid in 2016.
5. Within the limitations of dividends as stated above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
6. Total unassigned surplus as of June 30, 2016, is \$11,358,204. This amount is held for the benefit of participating policyholders.
7. There were no advances to surplus in 2016 or 2015.
8. There was no stock held by the company, including stock of affiliated companies, held for special purposes.
9. There was no change in the balance of special surplus funds from the prior year.

NOTES TO FINANCIAL STATEMENTS

NOTE 13 – CAPITAL AND SURPLUS, SHAREHOLDERS’ DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS (continued)

- 10. The portion of unassigned funds surplus represented or (reduced) by each item below is as follows:  
  
Unrealized gains and losses    \$103,722
- 11. The Company has not issued any surplus notes or debentures or similar obligations.
- 12. and 13. There has been no restatement of surplus due to quasi-reorganizations.

NOTE 14 – LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

Not applicable

B. Assessments

- 1. The Company has estimated that it will be assessed by various state assessment funds for their share of insurance company insolvencies in states in which the Company conducts business.
- 2. The reserve is \$50,000 for both periods ending June 30, 2016 and December 31, 2015, respectfully.

C. Gain Contingencies

Not applicable

- D. The Company is partially self-insured with regards to employee health insurance. The Company is liable for a maximum of \$100,000 per covered employee per year. The Company’s aggregate annual loss limitation is based on a formula that considers, among other things, the total number of employees and their family status. For the periods ended June 30, 2016 and December 31, 2015, the Company paid \$608,481 and \$1,400,916, respectively under this arrangement.

E. Joint and Several Liabilities.

As of June 30, 2016, the Company had the following outstanding accounts receivable and accounts payable balances with its wholly-owned subsidiaries:

Accounts Receivable:		
Medical Benefits Administrators, Inc.	\$582,015	100% wholly-owned Subsidiary
VisionPlus of America, Inc	\$ 7,995	100% wholly-owned Subsidiary
Accounts Payable:		
VisionPlus of America, Inc	\$ 0	100% wholly-owned Subsidiary
MedBen Marketing Services, Inc.	\$281,483	100% wholly-owned Subsidiary

- F. The Company is involved in various lawsuits and subject to certain contingencies in the normal course of business. Management believes that the outcome of these matters will not have a material impact on the Company’s financial position.

**NOTES TO FINANCIAL STATEMENTS**

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NOTE 15 – LEASES

A. Lessee Leasing Arrangements

The Company leases computer equipment and vehicles under operating lease agreements expiring by 2019. Future minimum lease rentals are as follows at June 30, 2016:

	<u>Amount</u>
2016	4,968
2017	9,456
2018	8,020
2019	<u>2,005</u>
	<u>\$24,449</u>

The Company has no sublease or sale-leaseback transactions.

There are no lease agreements that have been terminated early or for which the Company is no longer using the leased property.

Rental expense was \$9,527 and \$56,862 for the periods ended June 30, 2016 and December 31, 2015, respectively.

B. Lessor Leases – NONE

NOTE 16 – INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable

NOTE 17 – SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Not applicable

NOTE 18 – GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. ASO Plans

Not applicable

B. ASC Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contract – Not applicable

No amounts related to these plans have been written-off as of June 30, 2016.

NOTE 19 – DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS OR THIRD PARTY ADMINISTRATORS

Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 20 – FAIR VALUE MEASUREMENTS

A.

1. Fair Value Measurements at Reporting Date

1	2	3	4	5
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Bonds				
Industrial and Misc	-	-	-	-
Total Bonds	-	-	-	-
Common stock				
Industrial and Misc	2,947,578	-	-	2,947,578
Mutual Funds	753,596	-	-	753,596
Total Common Stocks	3,701,173			3,701,173
Total assets at fair value	3,701,173	-	-	3,701,173
b. Liabilities at fair value				
None	-	-	-	-
Total liabilities at fair value	-	-	-	-

The Company has categorized its assets and liabilities into the three-level fair value hierarchy based upon the priority of the inputs to the respective valuation technique. The following summarizes the type of assets and liabilities included within the three-level fair value hierarchy presented in the table above.

Level 1 – This category currently only includes common stock and mutual funds that can be readily sold. As of June 30, 2016, no bonds were moved into the classification of short-term so they were not classified in this hierarchy. The Company does not have any Call or Put Options placed on their securities.

Level 2 – The Company has no Level 2 assets or liabilities.

Level 3 – The Company has no Level 3 assets or liabilities.

The asset or liability’s fair value measurement level within fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

3. Fair Value Measurements in (Level 3) of the Fair Value Hierarchy – NONE

1	2	3	4	5	6	7	8	9	10	11
	Balance at 12/31/2015	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in surplus	Purchases	Issuances	Sales	Settlements	Balance at 6/30/2016
RMBS										
CMBS										
.....										
.....										
.....										
Total										

NOTES TO FINANCIAL STATEMENTS

NOTE 20 – FAIR VALUE MEASUREMENTS (continued)

3. Policy on Transfers into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into our out of Level 3. During the current year, no transfers into or out of Level 3 were required.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

The Company has no assets or liabilities measured at fair value in the Level 2 or the Level 3 category.

5. Derivative Fair Values – NONE

B. Other Fair Value Disclosures

Not applicable

C. Fair Values for All Financial Instruments by Levels 1, 2, and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries). The fair values are also categorized into the three-level fair value hierarchy as described in Note 20A.

1	2	3	4	5	6	7
Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practical (Carrying Value)
Financial instruments - assets						
Bonds	5,150,637	5,093,466	5,093,466	-	-	-
Preferred stocks	500	500	500	-	-	-
Common stocks	6,055,635	6,053,190	6,053,190	-	-	-
Short-term investments	1,590,135	1,590,135	1,590,135	-	-	-
Total assets	12,796,907	12,737,291	12,737,291	-	-	-
Financial instruments - liabilities						
None	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-

D. Reasons Not Practical to Estimate Fair Value – NONE

NOTE 21 – OTHER ITEMS

A. Extraordinary Items – Not applicable.

B. Troubled Debt Restructuring – Not applicable.

C. Other Disclosures and Unusual Items

Assets in the amount of \$2,359,296 and \$2,605,898 on June 30, 2016 and December 31, 2015, respectively were on deposit with government authorities or trustees as required by law.

At June 30, 2016 and December 31, 2015, the Company had admitted assets of \$25,230 and \$79,059, respectively, in accounts receivable for uninsured plans. The Company does not have any amounts due from agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, less than 1% of the balance may become

NOTES TO FINANCIAL STATEMENTS

NOTE 21 – OTHER ITEMS (continued)

uncollectible, and the potential loss is not material to the Company’s financial condition. No amounts have been written off in 2016 or 2015.

- D. The Company had no business interruption insurance recoveries.
- E. The Company has no investments in State Transferable Tax Credits.
- F. The Company has no exposure to subprime mortgage risk.
- G. The Company has no Retained Asset accounts.

NOTE 22 – EVENTS SUBSEQUENT

Type I – Recognized Subsequent Events – As of June 30, 2016, the Company has no subsequent events.

Type II – Non-recognized Subsequent Events – As of June 30, 2016, the Company has no subsequent events.

On January 1, 2016, the Company was not subject to an annual fee under Section 9010 of the federal Affordable Care Act (ACA). As of December 31, 2015, the Company has written health insurance subject to the ACA assessment, expects to conduct health insurance business in 2016, and estimates their portion of the annual health insurance industry fee to be payable on September 30, 2016 to be \$0.

		Current Year	Prior Year
A	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	Yes	
B	ACA fee assessment payable for the upcoming year	\$0	\$0
C	ACA fee assessment paid	\$0	\$0
D	Premium written subject to ACA 9010 assessment	\$792,934	\$5,464,144
E	Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 30)	\$12,014,744	
F	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 30 minus 22B above)	\$12,014,744	
G	Authorized Control Level (Five-Year Historical Line 31)	\$588,200	
H	Would reporting the ACA assessment as of December 31, 2015, have triggered an RBC action level (YES/NO)?	No	

NOTE 23 – REINSURANCE

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, but the company or by any representative, officer, trustee, or director of the company? Yes ( ) No (X)
- Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 23 – REINSURANCE (continued)

insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes ( ) No (X)

#### Section 2 – Ceded Reinsurance Report – Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)

2. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X)

#### B. Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during the period.

#### C. Commutation of Reinsurance Reflected in Income and Expenses

The Company has not commuted any ceded reinsurance during the period.

#### D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

The reinsurer used by the Company has not been downgraded or subject to revocation.

### NOTE 24 – RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

A. The Company does not have any retrospective premium adjustments.

B. Not applicable.

C. The amount of premium written by the Company subject to the medical loss ratio rebate was \$838,218.

D. The Company has no paid or payable medical loss ratio rebates.

#### E. Risk Sharing Provisions of the Affordable Care Act

1) The company wrote accident and health insurance premium subject to the ACA risk sharing provisions.

#### 2) Impact of Risk Sharing Provisions

- Permanent ACA Risk Adjustment Program – As of June 30, 2016, the company has booked \$0 in liabilities for contributions payable due to ACA Risk Adjustment Program, for the Company is unable to define the liability due to ACA Risk Adjustment. The company has not booked a receivable or expects to receive any recovery for federal funding to offset this risk sharing program.
- Transitional ACA Reinsurance Program – As of June 30, 2016, the company has booked \$0 in liabilities for contributions payable due to ACA Reinsurance. The company has not booked a receivable or expects to receive any recovery for federal funding to offset this risk sharing program.

**NOTES TO FINANCIAL STATEMENTS**

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NOTE 24 – RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO

- REDETERMINATION (continued)
- Temporary ACA Risk Corridors Program – the company has no obligations under this program as the company does not write any individual policies and thus will not be eligible for reimbursements.

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events of prior years developed as anticipated during 2015. See Schedule H – Part 3 and the Five Year Historical Data in the annual statement.

Original estimates are increased or decreased as additional information becomes known regarding individual claims. However, the change in incurred losses from December 31, 2014, to December 31, 2015, coincided with the change in the Company’s block of business. No other significant trends or unanticipated events have been noted in 2016. None of the Company’s accident and health contracts are subject to retrospective rating or experience refunds.

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

Not applicable

NOTE 27 – STRUCTURED SETTLEMENTS

The Company has not purchased any structured settlements to fulfill obligations of claimants.

NOTE 28 – HEALTH CARE RECEIVABLES

- A. Pharmaceutical Rebate Receivables – NONE
- B. Risk Sharing Receivables - NONE

NOTE 29 – PARTICIPATING POLICIES

Not applicable

NOTE 30 – PREMIUM DEFICIENCY RESERVES

- 1. Liability carried for premium deficiency reserves \$0
- 2. Date of the most recent evaluation of this liability March 1, 2015
- 3. Was anticipated investment income utilized in the calculation? No

NOTE 31 – RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

- 1. The Company waives deduction of deferred fractional premiums upon death of insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of the legally computed reserves.
- 2. The Company had no substandard policies; therefore no methods for valuation were employed.
- 3. As of June 30, 2016, the Company had \$0 of insurance in force for which the gross premiums are less than the net premiums according to the standard valuation set by the State of Ohio. No reserves to cover the above insurance were necessary.
- 4. The Company does not compute The Tabular Interest, the Tabular Less Actual Reserve Released, and the Tabular Cost.



NOTES TO FINANCIAL STATEMENTS

NOTE 31 – RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS (continued)

- 5. The Company does not compute Tabular Interest on funds not involving life contingencies.
- 6. The Company does not have any products that would qualify as “deposit type” contracts, therefore there are no reserve changes for life or annuity contracts under a Deposit Type Contract.

NOTE 32 – ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT TYPE LIABILITIES BY WITHDRAWAL CHARACTERISTICS

Not applicable

NOTE 33 – PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

The Company has no deferred and uncollected life insurance premiums and annuity considerations as of June 30, 2016.

NOTE 34 – SEPARATE ACCOUNTS

Not applicable

NOTE 35 – LOSS/CLAIM ADJUSTMENT EXPENSES

	Period Ended		
	June 30, 2016		December 31, 2015
Balance at beginning of period	\$ 30,000		\$ 30,000
Amount incurred:			
Current year	-		-
Prior years	-		-
	-		-
Less amount paid:			
Current year	-		-
Prior years	-		-
	-		-
Balance at end of period	\$ 30,000		\$ 30,000

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
If yes, complete Schedule Y, Parts 1 and 1A.

Yes ☒ No ☐
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes ☐ No ☒ N/A ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2013
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

04/07/2015
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

04/07/2015
- 6.4

By what department or departments?
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ☐ No ☐ N/A ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with? Yes ☐ No ☒ N/A ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? .....  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes ☒ No ☐
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended? .....

Yes ☐ No ☒
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers? .....

Yes ☐ No ☒
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? .....

Yes ☒ No ☐
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....

\$.....605,002

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) .....

Yes ☐ No ☒
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA: .....

\$.....
13.

Amount of real estate and mortgages held in short-term investments: .....

\$.....
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

Yes ☒ No ☐
- 14.2

If yes, please complete the following:
- |   | 1   | 2  |
|---|---|--|
|   | Prior Year-End<br>Book/Adjusted<br>Carrying Value | Current Quarter<br>Book/Adjusted<br>Carrying Value |
| 14.21 Bonds .....   | \$.....0  | \$.....  |
| 14.22 Preferred Stock .....   | \$.....500  | \$.....500   |
| 14.23 Common Stock .....  | \$.....2,319,533                                  | \$.....2,354,462                                   |
| 14.24 Short-Term Investments .....  | \$.....0  | \$.....  |
| 14.25 Mortgage Loans on Real Estate .....   | \$.....0  | \$.....  |
| 14.26 All Other .....   | \$.....0  | \$.....  |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) ..... | \$.....2,320,033                                  | \$.....2,354,962                                   |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....                       | \$.....   | \$.....  |
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB? .....

Yes ☐ No ☒
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....  
If no, attach a description with this statement.

Yes ☐ No ☐

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. ....

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....

16.3 Total payable for securities lending reported on the liability page. ....
- \$

0

\$

0

\$

0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? .....
- Yes ☒ No ☐
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Park National Bank .....	50 N Third St, Newark, OH 43055 .....
Merrill Lynch .....	4661 Sawmill Rd, Columbus, OH 43220 .....

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? .....
- Yes ☐ No ☒
- 17.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? .....
- Yes ☒ No ☐
- 18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - LIFE & HEALTH

1.

Report the statement value of mortgage loans at the end of this reporting period for the following categories:

1

Amount

1.1

Long-Term Mortgages In Good Standing

1.11

Farm Mortgages

\$

1.12

Residential Mortgages

\$

1.13

Commercial Mortgages

\$

1.14

Total Mortgages in Good Standing

\$

0

1.2

Long-Term Mortgages In Good Standing with Restructured Terms

1.21

Total Mortgages in Good Standing with Restructured Terms

\$

1.3

Long-Term Mortgage Loans Upon which Interest is Overdue more than Three Months

1.31

Farm Mortgages

\$

1.32

Residential Mortgages

\$

1.33

Commercial Mortgages

\$

1.34

Total Mortgages with Interest Overdue more than Three Months

\$

0

1.4

Long-Term Mortgage Loans in Process of Foreclosure

1.41

Farm Mortgages

\$

1.42

Residential Mortgages

\$

1.43

Commercial Mortgages

\$

1.44

Total Mortgages in Process of Foreclosure

\$

0

1.5

Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2)

\$

0

1.6

Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter

1.61

Farm Mortgages

\$

1.62

Residential Mortgages

\$

1.63

Commercial Mortgages

\$

1.64

Total Mortgages Foreclosed and Transferred to Real Estate

\$

0

2.

Operating Percentages:

2.1

A&H loss percent

65.790 %

2.2

A&H cost containment percent

6.600 %

2.3

A&H expense percent excluding cost containment expenses

97.320 %

3.1

Do you act as a custodian for health savings accounts?

Yes [ ] No [ X ]

3.2

If yes, please provide the amount of custodial funds held as of the reporting date

\$

3.3

Do you act as an administrator for health savings accounts?

Yes [ ] No [ X ]

3.4

If yes, please provide the balance of the funds administered as of the reporting date

\$



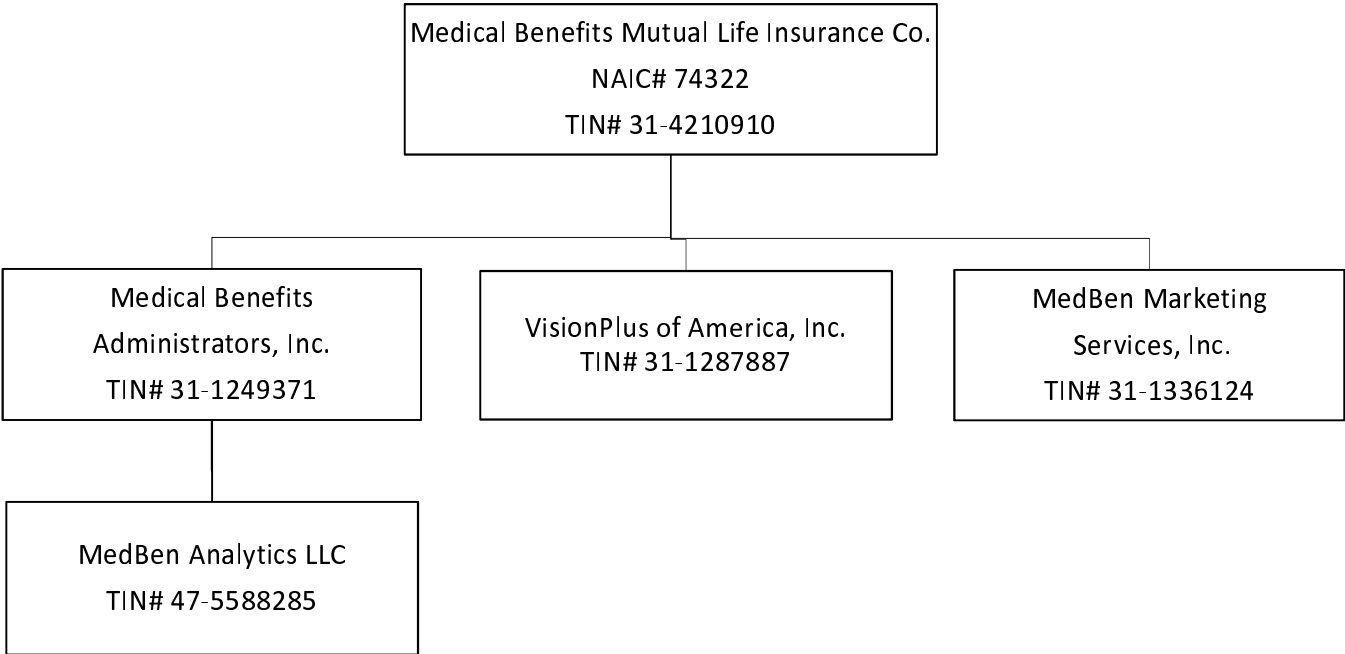
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories

States, Etc.			1	Direct Business Only					
				Life Contracts		4 Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	5 Other Considerations	6 Total Columns 2 Through 5	7 Deposit-Type Contracts
				2 Life Insurance Premiums	3 Annuity Considerations				
1.	Alabama	AL	N					0	
2.	Alaska	AK	N					0	
3.	Arizona	AZ	N					0	
4.	Arkansas	AR	L					0	
5.	California	CA	N					0	
6.	Colorado	CO	N					0	
7.	Connecticut	CT	N					0	
8.	Delaware	DE	N					0	
9.	District of Columbia	DC	N					0	
10.	Florida	FL	N					0	
11.	Georgia	GA	N					0	
12.	Hawaii	HI	N					0	
13.	Idaho	ID	N					0	
14.	Illinois	IL	L					0	
15.	Indiana	IN	L	77,107		738,776		815,883	
16.	Iowa	IA	N					0	
17.	Kansas	KS	L					0	
18.	Kentucky	KY	L					0	
19.	Louisiana	LA	N					0	
20.	Maine	ME	N					0	
21.	Maryland	MD	N					0	
22.	Massachusetts	MA	N					0	
23.	Michigan	MI	L					0	
24.	Minnesota	MN	N					0	
25.	Mississippi	MS	N					0	
26.	Missouri	MO	L					0	
27.	Montana	MT	N					0	
28.	Nebraska	NE	N					0	
29.	Nevada	NV	N					0	
30.	New Hampshire	NH	N					0	
31.	New Jersey	NJ	N					0	
32.	New Mexico	NM	N					0	
33.	New York	NY	N					0	
34.	North Carolina	NC	L					0	
35.	North Dakota	ND	N					0	
36.	Ohio	OH	L	44,759		629,578		674,337	
37.	Oklahoma	OK	N					0	
38.	Oregon	OR	N					0	
39.	Pennsylvania	PA	N					0	
40.	Rhode Island	RI	N					0	
41.	South Carolina	SC	L					0	
42.	South Dakota	SD	N					0	
43.	Tennessee	TN	L					0	
44.	Texas	TX	N					0	
45.	Utah	UT	N					0	
46.	Vermont	VT	N					0	
47.	Virginia	VA	N					0	
48.	Washington	WA	N					0	
49.	West Virginia	WV	L	3,953		4,943		8,896	
50.	Wisconsin	WI	N					0	
51.	Wyoming	WY	N					0	
52.	American Samoa	AS	N					0	
53.	Guam	GU	N					0	
54.	Puerto Rico	PR	N					0	
55.	U.S. Virgin Islands	VI	N					0	
56.	Northern Mariana Islands	MP	N					0	
57.	Canada	CAN	N					0	
58.	Aggregate Other Aliens	OT	XXX	0	0	0	0	0	0
59.	Subtotal	(a) 12		125,819	0	1,373,297	0	1,499,116	0
90.	Reporting entity contributions for employee benefits plans	XXX						0	
91.	Dividends or refunds applied to purchase paid-up additions and annuities	XXX						0	
92.	Dividends or refunds applied to shorten endowment or premium paying period	XXX						0	
93.	Premium or annuity considerations waived under disability or other contract provisions	XXX						0	
94.	Aggregate or other amounts not allocable by State	XXX		0	0	0	0	0	0
95.	Totals (Direct Business)	XXX		125,819	0	1,373,297	0	1,499,116	0
96.	Plus Reinsurance Assumed	XXX						0	
97.	Totals (All Business)	XXX		125,819	0	1,373,297	0	1,499,116	0
98.	Less Reinsurance Ceded	XXX		22,296		28,940		51,236	
99.	Totals (All Business) less Reinsurance Ceded	XXX		103,523	0	1,344,357	0	1,447,880	0
DETAILS OF WRITE-INS									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0
9401.		XXX							
9402.		XXX							
9403.		XXX							
9498.	Summary of remaining write-ins for Line 94 from overflow page	XXX		0	0	0	0	0	0
9499.	Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX		0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.  
(a) Insert the number of L responses except for Canada and Other Alien.

STATEMENT AS OF JUNE 30, 2016 OF THE Medical Benefits Mutual Life Insurance Co.



Medical Benefits Administrators, Inc.	TPA for single employer benefit plans; wholly-owned subsidiary of Medical Benefits Mutual Life Insurance Co.
VisionPlus of America, Inc.	TPA for group vision employer benefits plans; wholly-owned subsidiary of Medical Benefits Mutual Life Insurance Co.
MedBen Marketing Services, Inc.	Agency; wholly-owned subsidiary of Medical Benefits Mutual Life Insurance Co.
MedBen Analytics LLC	Medicare shared savings; majority-owned subsidiary of Medical Benefits Administrators, Inc.



Schedule Y - Part 1A - Detail of Insurance Holding Company System

**N O N E**

Schedule Y - Part 1A - Explanations

**N O N E**

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? .....	NO
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC? .....	NO
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC? .....	NO
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC? .....	NO
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC? .....	NO
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) be filed with the state of domicile and electronically with the NAIC? .....	NO

Explanation:

- 1. Not applicable
- 2. Not applicable
- 3. Not applicable
- 4. Not applicable
- 5. Not applicable
- 6. Not applicable
- 7. Not applicable

Bar Code:

- 1. Trusteed Surplus Statement [Document Identifier 490]
- 2. Medicare Part D Coverage Supplement [Document Identifier 365]
- 3. Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 445]
- 4. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV [Document Identifier 446]
- 5. Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI [Document Identifier 447]
- 6. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI [Document Identifier 448]
- 7. Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value) [Document Identifier 449]



**OVERFLOW PAGE FOR WRITE-INS**

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,890,366	2,279,871
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		37,829
2.2 Additional investment made after acquisition .....		0
3. Current year change in encumbrances .....	(210,000)	(300,000)
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other than temporary impairment recognized .....		0
8. Deduct current year's depreciation .....	62,429	127,334
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	1,617,937	1,890,366
10. Deduct total nonadmitted amounts .....		0
11. Statement value at end of current period (Line 9 minus Line 10)	1,617,937	1,890,366

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage interest and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	11,541,048	11,748,660
2. Cost of bonds and stocks acquired .....	871,071	1,425,966
3. Accrual of discount .....	592	4
4. Unrealized valuation increase (decrease) .....	101,789	59,190
5. Total gain (loss) on disposals .....	39,743	64,655
6. Deduct consideration for bonds and stocks disposed of .....	1,387,365	1,722,174
7. Deduct amortization of premium .....	17,279	35,254
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	11,149,599	11,541,048
11. Deduct total nonadmitted amounts .....	2,445	2,535
12. Statement value at end of current period (Line 10 minus Line 11)	11,147,154	11,538,513

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a) .....	5,591,514	334,915	825,941	(7,022)	5,591,514	5,093,466		5,648,527
2. NAIC 2 (a) .....	0				0	0		0
3. NAIC 3 (a) .....	0				0	0		0
4. NAIC 4 (a) .....	0				0	0		0
5. NAIC 5 (a) .....	0				0	0		0
6. NAIC 6 (a) .....	0				0	0		0
7. Total Bonds	5,591,514	334,915	825,941	(7,022)	5,591,514	5,093,466	0	5,648,527
PREFERRED STOCK								
8. NAIC 1 .....	0	0	0	0	0	0		
9. NAIC 2 .....	0				0	0		
10. NAIC 3 .....	0				0	0		
11. NAIC 4 .....	0				0	0		
12. NAIC 5 .....	500				500	500		500
13. NAIC 6 .....	0				0	0		
14. Total Preferred Stock .....	500	0	0	0	500	500	0	500
15. Total Bonds and Preferred Stock	5,592,014	334,915	825,941	(7,022)	5,592,014	5,093,966	0	5,649,027

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ .....1,629,777 ; NAIC 2 \$ ..... ; NAIC 3 \$ ..... ;  
NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	1,590,135	XXX	1,590,135	200	255

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,330,643	2,708,614
2. Cost of short-term investments acquired .....	( 12,351)	(1,332,450)
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....	(271,843)	45,521
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	1,590,135	1,330,643
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	1,590,135	1,330,643

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards  
**N O N E**

Schedule DB - Part B - Verification - Futures Contracts  
**N O N E**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open  
**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open  
**N O N E**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives  
**N O N E**

Schedule E - Verification - Cash Equivalents  
**N O N E**

Schedule A - Part 2 - Real Estate Acquired and Additions Made  
**N O N E**

Schedule A - Part 3 - Real Estate Disposed  
**N O N E**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made  
**N O N E**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid  
**N O N E**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made  
**N O N E**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid  
**N O N E**

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
912828-09-4	US T NOTE .75% 4/30/18		.06/03/2016	JP Morgan		309,915	310,000	234	1
0599999. Subtotal - Bonds - U.S. Governments						309,915	310,000	234	XXX
78012K-NL-7	Royal Bank of Canada 1.6250% 4/15/19		.04/19/2016	Park National Bank		25,000	25,000	8	1
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						25,000	25,000	8	XXX
8399997. Total - Bonds - Part 3						334,915	335,000	242	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						334,915	335,000	242	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
037833-10-0	Apple Inc		.05/05/2016	Merrill Lynch	50,000	4,683		0	L
060505-10-4	Bank Of America Corp		.06/02/2016	Park National Bank	1,700,000	25,317		0	L
478366-10-7	Johnson Controls Inc		.06/09/2016	Park National Bank	300,000	13,425		0	L
700658-10-7	Park National Corporation		.06/10/2016	Park National Bank	28,277	2,636		0	L
87612E-10-6	Target Corporation		.06/02/2016	Park National Bank	350,000	24,126		0	L
89417E-10-9	Travelers Companies Inc		.06/02/2016	Park National Bank	225,000	25,683		0	L
9099999. Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)						95,871	XXX	0	XXX
922031-76-0	Vanguard High-Yield Corp Fund		.05/31/2016	PNB	1,408,451	8,000		0	L
921937-80-1	Vanguard Intermediate-Term Bond		.05/31/2016	PNB	689,061	8,000		0	L
92203J-30-8	Vanguard Total International Bond Indx Fd Adm		.05/31/2016	PNB	389,016	8,500		0	L
9299999. Subtotal - Common Stocks - Mutual Funds						24,500	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						120,371	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						120,371	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						120,371	XXX	0	XXX
9999999 - Totals						455,286	XXX	242	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues



SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Ident- ification	Description	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recog- nized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Con- tractual Maturity Date	NAIC Desig- nation or Market In- dicator (a)
912828-WM-8	US Treasury Note .375% 5/31/16		05/30/2016	Maturity		310,000	310,000	309,952	310,000	0	0	0	0	0	310,000	0	0	0	581	05/31/2016	1
0599999	Subtotal - Bonds - U.S. Governments					310,000	310,000	309,952	310,000	0	0	0	0	0	310,000	0	0	0	581	XXX	XXX
67755L-BK-4	OH ST Cultril-Sprts 4.00% 4/1/16		04/01/2016	Maturity		10,000	10,000	11,009	10,000	0	0	0	0	0	10,000	0	0	0	200	04/01/2016	1
67755C-TN-9	Ohio St Bldg Auth St 5.500% 4/1/16		04/01/2016	Maturity		25,000	25,000	28,921	25,000	0	0	0	0	0	25,000	0	0	0	688	04/01/2016	1
677581-BP-4	Ohio St Major New 3.850% 6/15/16		06/15/2016	Maturity		25,000	25,000	27,877	25,162	0	(162)	0	(162)	0	25,000	0	0	0	481	06/15/2016	1
677520-C8-9	Ohio St Ser L 3.50% 5/1/16		05/01/2016	Maturity		50,000	50,000	53,850	50,108	0	(108)	0	(108)	0	50,000	0	0	0	875	05/01/2016	1
1799999	Subtotal - Bonds - U.S. States, Territories and Possessions					110,000	110,000	121,657	110,270	0	(270)	0	(270)	0	110,000	0	0	0	2,244	XXX	XXX
3133EA-2L-1	FFCB .72% 12/27/16		04/25/2016	BZ@PNE		25,000	25,000	24,994	24,998	0	0	0	0	0	24,998	0	2	2	58	12/27/2016	1
31331Y-K4-1	FFCB 4.45% 5/2/16		05/02/2016	Maturity		25,000	25,000	24,941	24,999	0	1	0	1	0	25,000	0	0	0	556	05/02/2016	1
3134C5-6W-0	FHLMC .6500% 12/23/16		06/23/2016	Maturity		250,000	250,000	250,000	250,000	0	0	0	0	0	250,000	0	0	0	813	12/23/2016	1
3128MC-WD-3	FHLMC #G1-4044 3.00% 1/1/26		06/01/2016	Redemption		5,748	5,748	5,697	5,749	0	0	0	0	0	5,748	0	0	0	29	01/01/2026	1
3128MM-MM-1	FHLMC #G18395 3.00% 7/1/26		06/01/2016	Redemption		4,244	4,244	4,375	4,239	0	4	0	4	0	4,244	0	0	0	18	07/01/2026	1
3137B1-CD-2	FHLMC 4190 Grp 2 Cl DG 2.00% 4/15/28		06/15/2016	Redemption		52,483	52,483	52,253	52,477	0	6	0	6	0	52,483	0	0	0	160	04/15/2028	1
31416X-HY-9	FNMA #AB2046 3.00% 1/1/26		06/01/2016	Redemption		5,609	5,609	5,644	5,610	0	(1)	0	(1)	0	5,609	0	0	0	31	01/01/2026	1
31416Y-UW-6	FNMA #AB3296 3.00% 7/1/26		06/01/2016	Redemption		5,655	5,655	5,690	5,656	0	(1)	0	(1)	0	5,655	0	0	0	20	07/01/2026	1
31418A-NK-0	FNMA Pool #MA 1293 2.00% 12/1/27		06/01/2016	Redemption		7,204	7,204	7,435	7,205	0	(2)	0	(2)	0	7,204	0	0	0	23	12/01/2027	1
3199999	Subtotal - Bonds - U.S. Special Revenues					380,943	380,943	381,030	380,934	0	7	0	7	0	380,941	0	2	2	1,708	XXX	XXX
263534-CF-4	Dupont El Nemour 2.75% 4/1/16		04/01/2016	Maturity		25,000	25,000	25,000	25,000	0	0	0	0	0	25,000	0	0	0	344	04/01/2016	1
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					25,000	25,000	25,000	25,000	0	0	0	0	0	25,000	0	0	0	344	XXX	XXX
8399997	Total - Bonds - Part 4					825,943	825,943	837,638	826,204	0	(263)	0	(263)	0	825,941	0	2	2	4,876	XXX	XXX
8399998	Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999	Total - Bonds					825,943	825,943	837,638	826,204	0	(263)	0	(263)	0	825,941	0	2	2	4,876	XXX	XXX
8999997	Total - Preferred Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998	Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999	Total - Preferred Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
025816-10-9	American Express Co		06/02/2016	Park National Bank	650,000	42,553		38,711	39,910	(1,199)	0	0	(1,199)	0	38,711	0	3,842	3,842	189		
00206R-10-2	AT&T Inc		06/02/2016	Park National Bank	150,000	5,834		5,532	5,876	(344)	0	0	(344)	0	5,532	0	303	303	72		
20825C-10-4	ConocoPhillips		06/02/2016	Merrill Lynch	500,000	22,193		21,398	20,135	1,263	0	0	1,263	0	21,398	0	795	795	125		
235851-10-2	Danaher Corp		06/03/2016	Park National Bank	150,000	14,767		4,628	14,229	(9,601)	0	0	(9,601)	0	4,628	0	10,139	10,139	24		
92343V-10-4	Verizon Communications		06/02/2016	Park National Bank	50,000	2,528		1,407	2,704	(1,297)	0	0	(1,297)	0	1,407	0	1,121	1,121	28		
9099999	Subtotal - Common Stocks - Industrial and Miscellaneous (Unaffiliated)					87,875	XXX	71,675	82,854	(11,178)	0	0	(11,178)	0	71,675	0	16,200	16,200	438	XXX	XXX
9799997	Total - Common Stocks - Part 4					87,875	XXX	71,675	82,854	(11,178)	0	0	(11,178)	0	71,675	0	16,200	16,200	438	XXX	XXX
9799998	Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999	Total - Common Stocks					87,875	XXX	71,675	82,854	(11,178)	0	0	(11,178)	0	71,675	0	16,200	16,200	438	XXX	XXX
9899999	Total - Preferred and Common Stocks					87,875	XXX	71,675	82,854	(11,178)	0	0	(11,178)	0	71,675	0	16,200	16,200	438	XXX	XXX
9999999	Totals					913,818	XXX	909,314	909,058	(11,178)	(263)	0	(11,441)	0	897,617	0	16,201	16,201	5,314	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open  
**N O N E**

Schedule DB - Part B - Section 1 - Futures Contracts Open  
**N O N E**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made  
**N O N E**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open  
**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By  
**N O N E**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To  
**N O N E**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned  
**N O N E**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned  
**N O N E**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances								
1  Depository	2  Code	3  Rate of Interest	4  Amount of Interest Received During Current Quarter	5  Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9  *
					6	7	8	
					First Month	Second Month	Third Month	
PARK NATIONAL BANK NEWARK, OHIO					84,771	426,752	(77,148)	XXX
0199998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX						XXX
0199999. Totals - Open Depositories	XXX	XXX	0	0	84,771	426,752	(77,148)	XXX
0299998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX						XXX
0299999. Totals - Suspended Depositories	XXX	XXX	0	0	0	0	0	XXX
0399999. Total Cash on Deposit	XXX	XXX	0	0	84,771	426,752	(77,148)	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX	250	250	250	XXX
0599999. Total - Cash	XXX	XXX	0	0	85,021	427,002	(76,898)	XXX

Schedule E - Part 2 - Cash Equivalents - Investments Owned End of Current Quarter

N O N E