



HEALTH QUARTERLY STATEMENT

As of September 30, 2018
of the Condition and Affairs of the

Vision Service Plan Insurance Company

NAIC Group Code.....1189, 1189 (Current Period) (Prior Period) NAIC Company Code..... 39616 Employer's ID Number..... 06-1227840

Organized under the Laws of OH State of Domicile or Port of Entry OH Country of Domicile US

Licensed as Business Type Property/Casualty Is HMO Federally Qualified? Yes [] No [X]

Incorporated/Organized..... June 10, 1987 Commenced Business..... July 1, 1987

Statutory Home Office 3400 Morse Crossing .. Columbus .. OH .. US .. 43219
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 3333 Quality Drive .. Rancho Cordova .. CA .. US .. 95670 916-851-5000
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 3333 Quality Drive .. Rancho Cordova .. CA .. US .. 95670
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 3333 Quality Drive .. Rancho Cordova .. CA .. US .. 95670 916-851-5000
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address

Statutory Statement Contact Laura Olson 916-851-5000
(Name) (Area Code) (Telephone Number) (Extension)
laurol@vsp.com 916-463-9040
(E-Mail Address) (Fax Number)

OFFICERS

| Name | Title | Name | Title |
|---------------------------------|-----------|-------------------------|-----------|
| 1. Kate Alison Renwick-Espinosa | President | 2. Michael J. Guyette # | Secretary |
| 3. Daniel Joseph Schauer | Treasurer | 4. | |

OTHER

DIRECTORS OR TRUSTEES

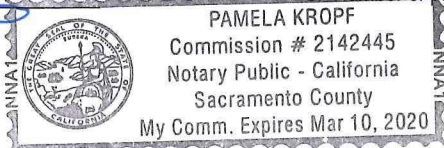
Kate Alison Renwick-Espinosa Michael J. Guyette # Thomas Allan Fessler #

State of..... California
County of..... Sacramento

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.

| | | |
|------------------------------|--------------------|-----------------------|
| | | |
| (Signature) | (Signature) | (Signature) |
| Kate Alison Renwick-Espinosa | Michael J. Guyette | Daniel Joseph Schauer |
| 1. (Printed Name) | 2. (Printed Name) | 3. (Printed Name) |
| President | Secretary | Treasurer |
| (Title) | (Title) | (Title) |

Subscribed and sworn to before me a. Is this an original filing? Yes [X] No []
 This 29th day of OCTOBER 2018 b. If no: 1. State the amendment number _____
 By: Kate Alison Renwick-Espinosa, Michael J. Guyette, Daniel 2. Date filed _____
 Joseph Schauer 3. Number of pages attached _____



ASSETS

| | Current Statement Date | | | 4 Prior Year Net Admitted Assets |
|--|------------------------|----------------------------|--|--|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds..... | 52,307,591 | | 52,307,591 | 61,010,061 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks..... | | | 0 | |
| 2.2 Common stocks..... | 272,415,077 | 259,766,587 | 12,648,490 | 12,074,343 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens..... | | | 0 | |
| 3.2 Other than first liens..... | | | 0 | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances)..... | | | 0 | |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances)..... | | | 0 | |
| 4.3 Properties held for sale (less \$.....0 encumbrances)..... | | | 0 | |
| 5. Cash (\$.....(41,055,529)), cash equivalents (\$.....101,662,137) and short-term investments (\$.....245,931)..... | 60,852,538 | | 60,852,538 | 113,432,814 |
| 6. Contract loans (including \$.....0 premium notes)..... | | | 0 | |
| 7. Derivatives..... | | | 0 | |
| 8. Other invested assets..... | | | 0 | |
| 9. Receivables for securities..... | | | 0 | 34 |
| 10. Securities lending reinvested collateral assets..... | | | 0 | |
| 11. Aggregate write-ins for invested assets..... | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11)..... | 385,575,206 | 259,766,587 | 125,808,619 | 186,517,252 |
| 13. Title plants less \$.....0 charged off (for Title insurers only)..... | | | 0 | |
| 14. Investment income due and accrued..... | 437,908 | | 437,908 | 344,825 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection..... | 53,591,056 | 524,763 | 53,066,293 | 48,570,600 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)..... | | | 0 | |
| 15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)..... | | | 0 | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers..... | | | 0 | |
| 16.2 Funds held by or deposited with reinsured companies..... | | | 0 | |
| 16.3 Other amounts receivable under reinsurance contracts..... | | | 0 | |
| 17. Amounts receivable relating to uninsured plans..... | 56,873,521 | 1,755,009 | 55,118,512 | 60,097,577 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon..... | | | 0 | |
| 18.2 Net deferred tax asset..... | 4,208,135 | 2,466,925 | 1,741,210 | 2,913,568 |
| 19. Guaranty funds receivable or on deposit..... | 4,818,053 | | 4,818,053 | 6,180,292 |
| 20. Electronic data processing equipment and software..... | | | 0 | |
| 21. Furniture and equipment, including health care delivery assets (\$.....0)..... | | | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates..... | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates..... | 6,749,447 | | 6,749,447 | 2,507,386 |
| 24. Health care (\$.....0) and other amounts receivable..... | | | 0 | |
| 25. Aggregate write-ins for other than invested assets..... | 0 | 0 | 0 | 0 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)..... | 512,253,326 | 264,513,284 | 247,740,042 | 307,131,500 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | |
| 28. Total (Lines 26 and 27)..... | 512,253,326 | 264,513,284 | 247,740,042 | 307,131,500 |

DETAILS OF WRITE-INS

| | | | | |
|--|---|---|---|---|
| 1101..... | | | 0 | |
| 1102..... | | | 0 | |
| 1103..... | | | 0 | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)..... | 0 | 0 | 0 | 0 |
| 2501..... | | | 0 | |
| 2502..... | | | 0 | |
| 2503..... | | | 0 | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)..... | 0 | 0 | 0 | 0 |

Vision Service Plan Insurance Company

LIABILITIES, CAPITAL AND SURPLUS

| | Current Period | | | Prior Year |
|--|----------------|----------------|-------------|-------------|
| | 1 Covered | 2 Uncovered | 3 Total | 4 Total |
| 1. Claims unpaid (less \$.....0 reinsurance ceded)..... | 55,838,581 | | 55,838,581 | 54,572,853 |
| 2. Accrued medical incentive pool and bonus amounts..... | | | 0 | |
| 3. Unpaid claims adjustment expenses..... | 939,601 | | 939,601 | 918,302 |
| 4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio rebate per the Public Health Service Act..... | | | 0 | |
| 5. Aggregate life policy reserves..... | | | 0 | |
| 6. Property/casualty unearned premium reserve..... | | | 0 | |
| 7. Aggregate health claim reserves..... | | | 0 | |
| 8. Premiums received in advance..... | 7,742,625 | | 7,742,625 | 6,124,599 |
| 9. General expenses due or accrued..... | 6,682,194 | | 6,682,194 | 4,556,489 |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0 on realized gains (losses))..... | 7,871,411 | | 7,871,411 | 21,214,553 |
| 10.2 Net deferred tax liability..... | | | 0 | |
| 11. Ceded reinsurance premiums payable..... | | | 0 | |
| 12. Amounts withheld or retained for the account of others..... | | | 0 | |
| 13. Remittances and items not allocated..... | 8,293,345 | | 8,293,345 | 14,404,544 |
| 14. Borrowed money (including \$.....0 current) and interest thereon \$.....0 (including \$.....0 current)..... | | | 0 | |
| 15. Amounts due to parent, subsidiaries and affiliates..... | 3,593,632 | | 3,593,632 | 21,717,778 |
| 16. Derivatives..... | | | 0 | |
| 17. Payable for securities..... | | | 0 | 8,059 |
| 18. Payable for securities lending..... | | | 0 | |
| 19. Funds held under reinsurance treaties with (\$.....0 authorized reinsurers, \$.....0 unauthorized reinsurers and certified \$.....0 reinsurers)..... | | | 0 | |
| 20. Reinsurance in unauthorized and certified (\$.....0) companies..... | | | 0 | |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates..... | | | 0 | |
| 22. Liability for amounts held under uninsured plans..... | 3,120,939 | | 3,120,939 | 2,341,254 |
| 23. Aggregate write-ins for other liabilities (including \$.....0 current)..... | 4,102,394 | 0 | 4,102,394 | 7,761,538 |
| 24. Total liabilities (Lines 1 to 23)..... | 98,184,722 | 0 | 98,184,722 | 133,619,969 |
| 25. Aggregate write-ins for special surplus funds..... | XXX | XXX | 0 | 21,390,879 |
| 26. Common capital stock..... | XXX | XXX | 2,500,000 | 2,500,000 |
| 27. Preferred capital stock..... | XXX | XXX | | |
| 28. Gross paid in and contributed surplus..... | XXX | XXX | 38,462,582 | 38,462,582 |
| 29. Surplus notes..... | XXX | XXX | | |
| 30. Aggregate write-ins for other than special surplus funds..... | XXX | XXX | 0 | 0 |
| 31. Unassigned funds (surplus)..... | XXX | XXX | 108,592,738 | 111,158,070 |
| 32. Less treasury stock, at cost: | | | | |
| 32.1 .....0.000 shares common (value included in Line 26 \$.....0)..... | XXX | XXX | | |
| 32.2 .....0.000 shares preferred (value included in Line 27 \$.....0)..... | XXX | XXX | | |
| 33. Total capital and surplus (Lines 25 to 31 minus Line 32)..... | XXX | XXX | 149,555,320 | 173,511,531 |
| 34. Total liabilities, capital and surplus (Lines 24 and 33)..... | XXX | XXX | 247,740,042 | 307,131,500 |

DETAILS OF WRITE-INS

| | | | | |
|--|-----------|-----|-----------|------------|
| 2301. Taxes, licenses & fees..... | 2,993,914 | | 2,993,914 | 6,819,794 |
| 2302. Escheatable checks..... | 1,108,480 | | 1,108,480 | 941,744 |
| 2303. | | | 0 | |
| 2398. Summary of remaining write-ins for Line 23 from overflow page..... | 0 | 0 | 0 | 0 |
| 2399. Totals (Lines 2301 thru 2303 plus 2398) (Line 23 above)..... | 4,102,394 | 0 | 4,102,394 | 7,761,538 |
| 2501. Health Insurer Assessment..... | XXX | XXX | | 21,390,879 |
| 2502. | | | | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | XXX | XXX | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)..... | XXX | XXX | 0 | 21,390,879 |
| 3001. | | | | |
| 3002. | | | | |
| 3003. | | | | |
| 3098. Summary of remaining write-ins for Line 30 from overflow page..... | XXX | XXX | 0 | 0 |
| 3099. Totals (Lines 3001 thru 3003 plus 3098) (Line 30 above)..... | XXX | XXX | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES

| | Current Year To Date | | Prior Year To Date | Prior Year Ended December 31 |
|--|----------------------|-------------|--------------------|------------------------------|
| | 1 Uncovered | 2 Total | 3 Total | 4 Total |
| 1. Member months..... | XXX | 133,882,682 | 125,825,922 | 172,429,364 |
| 2. Net premium income (including \$.....0 non-health premium income)..... | XXX | 852,741,609 | 814,355,471 | 1,085,831,423 |
| 3. Change in unearned premium reserves and reserve for rate credits..... | XXX | | | |
| 4. Fee-for-service (net of \$.....167,120,401 medical expenses)..... | XXX | 34,256,875 | 33,301,512 | 44,335,822 |
| 5. Risk revenue..... | XXX | 2,165,851 | 3,812,328 | 4,257,058 |
| 6. Aggregate write-ins for other health care related revenues..... | XXX | 0 | 0 | 0 |
| 7. Aggregate write-ins for other non-health revenues..... | XXX | 0 | 0 | 0 |
| 8. Total revenues (Lines 2 to 7)..... | XXX | 889,164,335 | 851,469,311 | 1,134,424,303 |
| Hospital and Medical: | | | | |
| 9. Hospital/medical benefits..... | | | | |
| 10. Other professional services..... | | 685,707,725 | 661,293,328 | 863,011,052 |
| 11. Outside referrals..... | | | | |
| 12. Emergency room and out-of-area..... | | | | |
| 13. Prescription drugs..... | | | | |
| 14. Aggregate write-ins for other hospital and medical..... | 0 | 0 | 0 | 0 |
| 15. Incentive pool, withhold adjustments and bonus amounts..... | | | | |
| 16. Subtotal (Lines 9 to 15)..... | 0 | 685,707,725 | 661,293,328 | 863,011,052 |
| Less: | | | | |
| 17. Net reinsurance recoveries..... | | | | |
| 18. Total hospital and medical (Lines 16 minus 17)..... | 0 | 685,707,725 | 661,293,328 | 863,011,052 |
| 19. Non-health claims (net)..... | | | | |
| 20. Claims adjustment expenses, including \$.....0 cost containment expenses..... | | 14,043,264 | 11,735,927 | 16,712,002 |
| 21. General administrative expenses..... | | 160,031,789 | 123,138,692 | 172,573,417 |
| 22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only)..... | | | | |
| 23. Total underwriting deductions (Lines 18 through 22)..... | 0 | 859,782,778 | 796,167,947 | 1,052,296,471 |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23)..... | XXX | 29,381,557 | 55,301,364 | 82,127,832 |
| 25. Net investment income earned..... | | 1,948,779 | 862,344 | 1,330,659 |
| 26. Net realized capital gains (losses) less capital gains tax of \$.....161,304..... | | 606,811 | 810,156 | 463,750 |
| 27. Net investment gains or (losses) (Lines 25 plus 26)..... | 0 | 2,555,590 | 1,672,500 | 1,794,409 |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....249,776)]..... | | (249,776) | (93,494) | (183,227) |
| 29. Aggregate write-ins for other income or expenses..... | 0 | 0 | 0 | 0 |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)..... | XXX | 31,687,371 | 56,880,370 | 83,739,014 |
| 31. Federal and foreign income taxes incurred..... | XXX | 9,809,683 | 19,515,733 | 29,062,711 |
| 32. Net income (loss) (Lines 30 minus 31)..... | XXX | 21,877,688 | 37,364,637 | 54,676,303 |

DETAILS OF WRITE-INS

| | | | | |
|--|-----|---|---|---|
| 0601. | XXX | | | |
| 0602. | XXX | | | |
| 0603. | XXX | | | |
| 0698. Summary of remaining write-ins for Line 6 from overflow page..... | XXX | 0 | 0 | 0 |
| 0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)..... | XXX | 0 | 0 | 0 |
| 0701. | XXX | | | |
| 0702. | XXX | | | |
| 0703. | XXX | | | |
| 0798. Summary of remaining write-ins for Line 7 from overflow page..... | XXX | 0 | 0 | 0 |
| 0799. Totals (Lines 0701 thru 0703 plus 0798) (Line 7 above)..... | XXX | 0 | 0 | 0 |
| 1401. | | | | |
| 1402. | | | | |
| 1403. | | | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page..... | 0 | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)..... | 0 | 0 | 0 | 0 |
| 2901. | | | | |
| 2902. | | | | |
| 2903. | | | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page..... | 0 | 0 | 0 | 0 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above)..... | 0 | 0 | 0 | 0 |

STATEMENT OF REVENUE AND EXPENSES (Continued)

| CAPITAL AND SURPLUS ACCOUNT | 1 Current Year to Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|--|------------------------------|----------------------------|--------------------------------------|
| 33. Capital and surplus prior reporting year..... | 173,511,531 | 146,991,717 | 146,991,717 |
| 34. Net income or (loss) from Line 32..... | 21,877,688 | 37,364,637 | 54,676,303 |
| 35. Change in valuation basis of aggregate policy and claim reserves..... | | | |
| 36. Change in net unrealized capital gains (losses) less capital gains tax of \$....738,733..... | (36,825,089) | 9,920,004 | 19,932,182 |
| 37. Change in net unrealized foreign exchange capital gain or (loss)..... | | | |
| 38. Change in net deferred income tax..... | (1,240,457) | (208,748) | (338,972) |
| 39. Change in nonadmitted assets..... | 42,131,647 | (5,326,396) | (20,849,699) |
| 40. Change in unauthorized and certified reinsurance..... | | | |
| 41. Change in treasury stock..... | | | |
| 42. Change in surplus notes..... | | | |
| 43. Cumulative effect of changes in accounting principles..... | | | |
| 44. Capital changes: | | | |
| 44.1 Paid in..... | | | |
| 44.2 Transferred from surplus (Stock Dividend)..... | | | |
| 44.3 Transferred to surplus..... | | | |
| 45. Surplus adjustments: | | | |
| 45.1 Paid in..... | | | |
| 45.2 Transferred to capital (Stock Dividend)..... | | | |
| 45.3 Transferred from capital..... | | | |
| 46. Dividends to stockholders..... | (49,900,000) | | (26,900,000) |
| 47. Aggregate write-ins for gains or (losses) in surplus..... | 0 | 0 | 0 |
| 48. Net change in capital and surplus (Lines 34 to 47)..... | (23,956,211) | 41,749,497 | 26,519,814 |
| 49. Capital and surplus end of reporting period (Line 33 plus 48)..... | 149,555,320 | 188,741,214 | 173,511,531 |

DETAILS OF WRITE-INS

| | | | |
|--|---|---|---|
| 4701. | | | |
| 4702. | | | |
| 4703. | | | |
| 4798. Summary of remaining write-ins for Line 47 from overflow page..... | 0 | 0 | 0 |
| 4799. Totals (Lines 4701 thru 4703 plus 4798) (Line 47 above)..... | 0 | 0 | 0 |

Vision Service Plan Insurance Company

CASH FLOW

| | 1 Current Year to Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| CASH FROM OPERATIONS | | | |
| 1. Premiums collected net of reinsurance..... | 850,469,193 | 813,245,037 | 1,085,360,577 |
| 2. Net investment income..... | 1,881,711 | 831,535 | 1,304,551 |
| 3. Miscellaneous income..... | 36,422,726 | 37,113,840 | 48,592,880 |
| 4. Total (Lines 1 through 3)..... | 888,773,630 | 851,190,412 | 1,135,258,008 |
| 5. Benefit and loss related payments..... | 684,441,997 | 659,568,749 | 861,258,450 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 163,758,490 | 148,518,075 | 208,690,133 |
| 8. Dividends paid to policyholders..... | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)..... | 23,314,129 | 26,502,604 | 28,238,341 |
| 10. Total (Lines 5 through 9)..... | 871,514,616 | 834,589,428 | 1,098,186,924 |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 17,259,014 | 16,600,984 | 37,071,084 |
| CASH FROM INVESTMENTS | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds..... | 9,675,000 | 8,380,836 | 17,784,136 |
| 12.2 Stocks..... | 3,195,658 | 76,182,596 | 5,556,942 |
| 12.3 Mortgage loans..... | | | |
| 12.4 Real estate..... | | | |
| 12.5 Other invested assets..... | | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | | | |
| 12.7 Miscellaneous proceeds..... | 34 | 12,561 | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 12,870,692 | 84,575,993 | 23,341,078 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds..... | 998,546 | 10,721,082 | 23,081,465 |
| 13.2 Stocks..... | 3,325,971 | 75,950,719 | 5,704,818 |
| 13.3 Mortgage loans..... | | | |
| 13.4 Real estate..... | | | |
| 13.5 Other invested assets..... | | | |
| 13.6 Miscellaneous applications..... | 8,059 | 303,780 | 286,199 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 4,332,576 | 86,975,581 | 29,072,482 |
| 14. Net increase or (decrease) in contract loans and premium notes..... | | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)..... | 8,538,116 | (2,399,588) | (5,731,405) |
| CASH FROM FINANCING AND MISCELLANEOUS SOURCES | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes..... | | | |
| 16.2 Capital and paid in surplus, less treasury stock..... | | | |
| 16.3 Borrowed funds..... | | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | | | |
| 16.5 Dividends to stockholders..... | 49,900,000 | | 26,900,000 |
| 16.6 Other cash provided (applied)..... | (28,477,406) | 2,626,652 | 9,584,237 |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)..... | (78,377,406) | 2,626,652 | (17,315,763) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)..... | (52,580,276) | 16,828,048 | 14,023,916 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year..... | 113,432,814 | 99,408,898 | 99,408,898 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 60,852,538 | 116,236,946 | 113,432,814 |

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

| | | | |
|---------------|--|--|--|
| 20.0001 | | | |
|---------------|--|--|--|

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

| | 1 Total | Comprehensive (Hospital & Medical) | | 4 Medicare Supplement | 5 Vision Only | 6 Dental Only | 7 Federal Employees Health Benefit Plan | 8 Title XVIII Medicare | 9 Title XIX Medicaid | 10 Other |
|--|-------------|------------------------------------|------------|-----------------------------|---------------------|---------------------|---|------------------------------|----------------------------|-------------|
| | | 2 Individual | 3 Group | | | | | | | |
| Total Members at End of: | | | | | | | | | | |
| 1. Prior Year..... | 14,390,936 | | | | 13,423,032 | | 967,904 | | | |
| 2. First Quarter..... | 14,917,901 | | | | 13,900,779 | | 1,017,122 | | | |
| 3. Second Quarter..... | 14,886,579 | | | | 13,871,278 | | 1,015,301 | | | |
| 4. Third Quarter..... | 14,872,736 | | | | 13,856,712 | | 1,016,024 | | | |
| 5. Current Year..... | 0 | | | | | | | | | |
| 6. Current Year Member Months..... | 133,882,682 | | | | 124,780,257 | | 9,102,425 | | | |
| Total Member Ambulatory Encounters for Period: | | | | | | | | | | |
| 7. Physician..... | 0 | | | | | | | | | |
| 8. Non-Physician..... | 3,795,118 | | | | 3,453,462 | | 341,656 | | | |
| 9. Total..... | 3,795,118 | 0 | 0 | 0 | 3,453,462 | 0 | 341,656 | 0 | 0 | 0 |
| 10. Hospital Patient Days Incurred..... | 0 | | | | | | | | | |
| 11. Number of Inpatient Admissions..... | 0 | | | | | | | | | |
| 12. Health Premiums Written (a)..... | 852,741,609 | | | | 767,003,371 | | 85,738,238 | | | |
| 13. Life Premiums Direct..... | 0 | | | | | | | | | |
| 14. Property/Casualty Premiums Written..... | 0 | | | | | | | | | |
| 15. Health Premiums Earned..... | 852,741,609 | | | | 767,003,371 | | 85,738,238 | | | |
| 16. Property/Casualty Premiums Earned..... | 0 | | | | | | | | | |
| 17. Amount Paid for Provision of Health Care Services..... | 684,441,997 | | | | 603,507,077 | | 80,934,920 | | | |
| 18. Amount Incurred for Provision of Health Care Services..... | 685,707,725 | | | | 604,627,928 | | 81,079,797 | | | |

Q07

(a) For health premiums written: Amount of Medicare Title XVIII exempt from state taxes or fees \$.....0.

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims

| 1 Account | 2 1 - 30 Days | 3 31 - 60 Days | 4 61 - 90 Days | 5 91 - 120 Days | 6 Over 120 Days | 7 Total |
|--|------------------|-------------------|-------------------|--------------------|--------------------|------------|
| Claims Unpaid (Reported) | | | | | | |
| Pricing Claims..... | 11,939,502 | | | | | 11,939,502 |
| 0199999. Individually Listed Claims Unpaid..... | 11,939,502 | 0 | 0 | 0 | 0 | 11,939,502 |
| 0499999. Subtotals..... | 11,939,502 | 0 | 0 | 0 | 0 | 11,939,502 |
| 0599999. Unreported Claims and Other Claim Reserves..... | | | | | | 43,899,079 |
| 0799999. Total Claims Unpaid..... | | | | | | 55,838,581 |

UNDERWRITING AND INVESTMENT EXHIBIT

Analysis of Claims Unpaid - Prior Year - Net of Reinsurance

| Line of Business | Claims Paid Year to Date | | Liability End of Current Quarter | | 5 Claims Incurred in Prior Years (Columns 1 + 3) | 6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year |
|--|--|---|---|---|---|---|
| | 1 On Claims Incurred Prior to January 1 of Current Year | 2 On Claims Incurred During the Year | 3 On Claims Unpaid December 31 of Prior Year | 4 On Claims Incurred During the Year | | |
| 1. Comprehensive (hospital and medical)..... | | | | | 0 | |
| 2. Medicare Supplement..... | | | | | 0 | |
| 3. Dental only..... | | | | | 0 | |
| 4. Vision only..... | 46,146,177 | 569,479,135 | 83,471 | 50,140,863 | 46,229,648 | 49,089,737 |
| 5. Federal Employees Health Benefits Plan..... | 5,158,376 | 63,658,309 | 9,331 | 5,604,916 | 5,167,707 | 5,483,116 |
| 6. Title XVIII - Medicare..... | | | | | 0 | |
| 7. Title XIX - Medicaid..... | | | | | 0 | |
| 8. Other health..... | | | | | 0 | |
| 9. Health subtotal (Lines 1 to 8)..... | 51,304,553 | 633,137,444 | 92,802 | 55,745,779 | 51,397,355 | 54,572,853 |
| 10. Healthcare receivables (a)..... | | | | | 0 | |
| 11. Other non-health..... | | | | | 0 | |
| 12. Medical incentive pools and bonus amounts..... | | | | | 0 | |
| 13. Totals (Lines 9-10+11+12)..... | 51,304,553 | 633,137,444 | 92,802 | 55,745,779 | 51,397,355 | 54,572,853 |

600

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern**

A. Accounting Practices

This statement has been completed in accordance with the Accounting Practices and Procedures Manual. The Company does not employ accounting practices that depart from the Manual.

| | SSAP # | F/S Page | F/S Line # | Current Year to Date | 2017 |
|---|--------|----------|------------|----------------------|----------------|
| NET INCOME | | | | | |
| (1) Vision Service Plan Insurance Company Company state basis (Page 4, Line 32, Columns 2 & 4) | XXX | XXX | XXX | \$ 21,877,688 | \$ 54,676,303 |
| (2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP | | | | \$ | \$ |
| (3) State Permitted Practices that are an increase/(decrease) from NAIC SAP | | | | \$ | \$ |
| (4) NAIC SAP (1 – 2 – 3 = 4) | XXX | XXX | XXX | \$ 21,877,688 | \$ 54,676,303 |
| SURPLUS | | | | | |
| (5) Vision Service Plan Insurance Company Company state basis (Page 3, line 33, Columns 3 & 4) | XXX | XXX | XXX | \$ 149,555,320 | \$ 173,511,531 |
| (6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP | | | | \$ | \$ |
| (7) State Permitted Practices that are an increase/(decrease) from NAIC SAP | | | | \$ | \$ |
| (8) NAIC SAP (5 – 6 – 7 = 8) | XXX | XXX | XXX | \$ 149,555,320 | \$ 173,511,531 |

C. Accounting Policy

- (6) Basis for Loan-Backed Securities and Adjustment Methodology
The Company has no loan-backed securities.

D. Going Concern

Management evaluated whether there are conditions and events that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued. Management's evaluation was based only on relevant conditions and events that were known and reasonably knowable at the date that the financial statements are issued. Based on the evaluation, the Company is more than able to meet all known obligations at the date that the financial statements are issued, therefore, no conditions or events raise substantial doubt about the Company's ability to continue as a going concern.

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

D. Loan-Backed Securities

- (1) Not Applicable
(2) Not Applicable
(3) Not Applicable
(4) Not Applicable
(5) Not Applicable

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (3) Not Applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

- (1) Not Applicable
(2) Not Applicable
(3) Not Applicable

NOTES TO FINANCIAL STATEMENTS

(4) Not Applicable

(5) Not Applicable

(6) Not Applicable

(7) Not Applicable

(8) Not applicable

(9) Not Applicable

(10) Not Applicable

(11) Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1) Not Applicable

(2) Not Applicable

(3) Not Applicable

(4) Not Applicable

(5) Not Applicable

(6) Not Applicable

(7) Not Applicable

(8) Not applicable

(9) Not Applicable

(10) Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

(1) Not Applicable

(2) Not Applicable

(3) Not Applicable

(4) Not Applicable

(5) Not Applicable

(6) Not Applicable

(7) Not Applicable

(8) Not applicable

(9) Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

(1) Not Applicable

(2) Not Applicable

(3) Not Applicable

(4) Not Applicable

(5) Not Applicable

(6) Not Applicable

(7) Not Applicable

(8) Not applicable

M. Working Capital Finance Investments

(2) Not Applicable

(3) Not Applicable

N. Offsetting and Netting of Assets and Liabilities – Not Applicable

NOTES TO FINANCIAL STATEMENTS

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

Note 7 – Investment Income

No significant changes

Note 8 – Derivative Instruments

Not Applicable

Note 9 – Income Taxes

No significant changes

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

The Company paid an extraordinary dividend to Vision Service Plan, the Parent Company, on August 3, 2018, totaling \$49.9M.

Note 11 – Debt

B. FHLB (Federal Home Loan Bank) Agreements

(1) Not Applicable

(2) Not Applicable

(3) Not Applicable

(4) Not Applicable

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan - Not Applicable

Note 13 – Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

No significant changes

Note 14 – Liabilities, Contingencies and Assessments

No significant changes

Note 15 – Leases

Not Applicable

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

B. Transfer and Servicing of Financial Assets - Not Applicable

C. Wash Sales

(1) Description of the Objectives Regarding These Transactions - Not Applicable

(2) Not Applicable

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans

No significant changes

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 20 – Fair Value Measurements**

- A. Fair Value Measurements
 (1) Fair Value Measurements at Reporting Date

| | Level 1 | Level 2 | Level 3 | Total | Net Asset Value (NAV) Included in Level 2 |
|----------------------------------|----------------------|-----------|-----------|----------------------|---|
| Assets at Fair Value | | | | | |
| Common Stock | \$ 12,648,490 | \$ | \$ | \$ 12,648,490 | \$ |
| Total | \$ 12,648,490 | \$ | \$ | \$ 12,648,490 | \$ |
| Liabilities at Fair Value | | | | | |
| | \$ | \$ | \$ | \$ | \$ |
| Total | \$ | \$ | \$ | \$ | \$ |

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - Not Applicable
 (3) Policies when Transfers Between Levels are Recognized - Not Applicable
 (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement - Not Applicable
 (5) Fair Value Disclosures - Not Applicable

- B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not Applicable

- C. Fair Value Level

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Not Practicable (Carrying Value) | Net Asset Value (NAV) Included in Level 2 |
|------------------------------|----------------------|-----------------|---------------|---------------|-----------|----------------------------------|---|
| Short-term investments | \$ 245,633 | \$ 245,931 | \$ | \$ 245,633 | \$ | \$ | \$ |
| Bonds | \$ 51,382,991 | \$ 52,307,591 | \$ 523,176 | \$ 50,859,815 | \$ | \$ | \$ |
| Common Stock | \$ 12,648,490 | \$ 12,648,490 | \$ 12,648,490 | \$ | \$ | \$ | \$ |
| Cash Equivalents | \$ 101,660,285 | \$ 101,662,137 | \$ 93,666,525 | \$ 7,993,760 | \$ | \$ | \$ |

- D. Not Practicable to Estimate Fair Value

Not Applicable

Note 21 – Other Items

No significant changes

Note 22 – Events Subsequent

Subsequent events have been considered through November 13, 2018, the date on which the financial statements were available to be issued. The Company's Application for Certificate of Authority was approved on October 25, 2018 by the Maryland Insurance Administration.

Note 23 – Reinsurance

Not Applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

- E. Risk Sharing Provisions of the Affordable Care Act

- (1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions Yes [] No [X]
- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable
- (3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:

Explanations of Adjustments - Not Applicable

- (4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year - Not Applicable
- (5) ACA Risk Corridors Receivable as of Reporting Date - Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

A. Change in Incurred Losses and Loss Adjustment Expenses

| | 2018 | 2017 |
|------------------------------------|----------------------|----------------------|
| BALANCE—January 1 | <u>\$ 55,491,155</u> | <u>\$ 53,674,394</u> |
| Incurred related to: | | |
| Current year | 698,280,687 | 892,311,666 |
| Prior years | <u>(3,508,762)</u> | <u>(963,699)</u> |
| Total incurred | 694,771,925 | 891,347,967 |
| Paid related to: | | |
| Current year | (641,502,505) | (836,820,511) |
| Prior years | <u>(51,982,393)</u> | <u>(52,710,695)</u> |
| Total paid | <u>(693,484,898)</u> | <u>(889,531,206)</u> |
| BALANCE - September 30/December 31 | <u>\$ 56,778,182</u> | <u>\$ 55,491,155</u> |

Reserves as of September 30, 2018 were \$56,778,182. As of September 30, 2018, \$51,982,393 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$3,508,762 as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$3,508,762 favorable prior-year development from December 31, 2017 to September 30, 2018. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

B. Information about Significant Changes in Methodologies and Assumptions

Not Applicable

Note 26 – Intercompany Pooling Arrangements

Not Applicable

Note 27 – Structured Settlements

Not Applicable

Note 28 – Health Care Receivables

Not Applicable

Note 29 – Participating Policies

Not Applicable

Note 30 – Premium Deficiency Reserves

No significant changes

Note 31 – Anticipated Salvage and Subrogation

Not Applicable

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 [X]
- 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 [X]
- 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? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide name of 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 Name of Entity | 2 NAIC Company Code | 3 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 [X] 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. 12/31/2013
- 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). 02/04/2015
- 6.4 By what department or departments?
Connecticut Insurance Department
- 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 [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [X] 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 [X]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [] No [X]
- 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 [X]
- 8.4 If the 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 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|---------------------|-----------------------------|----------|----------|-----------|----------|
| | | | | | |

- 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? Yes [X] No []
 - (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.
- 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 [X]
- 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 [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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: \$ 6,749,447

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: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 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 Prior Year End Book/Adjusted Carrying Value | 2 Current Quarter Book/Adjusted Carrying Value |
|---|---|--|
| 14.21 Bonds | \$ 0 | \$ 0 |
| 14.22 Preferred Stock | 0 | 0 |
| 14.23 Common Stock | 295,528,661 | 259,766,587 |
| 14.24 Short-Term Investments | 0 | 0 |
| 14.25 Mortgage Loans on Real Estate | 0 | 0 |
| 14.26 All Other | 0 | 0 |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 295,528,661 | \$ 259,766,587 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ 0 | \$ 0 |

- 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? Yes No
- If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.3 Total payable for securities lending reported on the liability page: \$ 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 |
|---|---|
| Union Bank | 350 California St., 6th Floor MC H-600, San Francisco, CA 94104 |
| Wells Fargo Institutional Securities, LLC | 45 Fremont St., 34th Flr, San Francisco, CA 94105 |
| Robert W. Baird & Co. | 1400 Rocky Ridge Dr., Suite 250, Roseville, CA 95661 |
| Morgan Stanley | 2380 E. Bidwell St. Folsom, CA 95630 |

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 and complete information relating thereto:

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

17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such "[...]that have access to the investment accounts", "handle securities"].

| 1 Name of Firm or Individual | 2 Affiliation |
|--------------------------------------|------------------|
| Treasury Manager, VSP | A |
| Morgan Stanley | U |
| RW Baird | U |
| Union Bank | U |
| Wells Fargo Institutional Securities | U |

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes No

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

| 1 Central Registration Depository | 2 Name of Firm or Individual | 3 Legal Entity Identifier (LEI) | 4 Registered With | 5 Investment |
|--------------------------------------|---------------------------------|------------------------------------|----------------------|-----------------|
| | | | | |

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

| Number | | | | Management Agreement (IMA) Filed |
|--------|--------------------------------|-----|-----|----------------------------------|
| N/A | VSP Treasury Manager | N/A | N/A | NO |
| 149777 | Morgan Stanley | N/A | SEC | NO |
| 8158 | RW Baird | N/A | SEC | NO |
| 14455 | Union Bank Investment Services | N/A | SEC | NO |
| 126292 | Wells Fargo Securities | N/A | SEC | NO |

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes [X] No []

18.2 If no, list exceptions:

19. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designated 5*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities?

Yes [] No [X]

GENERAL INTERROGATORIES (continued)

PART 2 - HEALTH

| | | | |
|--|-----------|----------|--------|
| 1. Operating Percentages: | | | |
| 1.1 A&H loss percent | | | 80.0 % |
| 1.2 A&H cost containment percent | | | 0.0 % |
| 1.3 A&H expense percent excluding cost containment expenses | | | 19.0 % |
| 2.1 Do you act as a custodian for health savings accounts? | Yes [] | No [X] | |
| 2.2 If yes, please provide the amount of custodial funds held as of the reporting date. | | | 0 |
| 2.3 Do you act as an administrator for health savings accounts? | Yes [] | No [X] | |
| 2.4 If yes, please provide the amount of funds administered as of the reporting date. | | | 0 |
| 3. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?..... | Yes [X] | No [] | |
| 3.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?..... | Yes [] | No [] | |

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-------------------|-----------|----------------|-------------------|--------------------------|---------------------------|-------------------|--|--|
| NAIC Company Code | ID Number | Effective Date | Name of Reinsurer | Domiciliary Jurisdiction | Type of Reinsurance Ceded | Type of Reinsurer | Certified Reinsurer Rating (1 through 6) | Effective Date of Certified Reinsurer Rating |

NONE

Vision Service Plan Insurance Company

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

| State, Etc. | 1 | Direct Business Only | | | | | | | |
|---|-------------------|------------------------------|----------------------|--------------------|--|--|----------------------------|---------------------------|------------------------|
| | | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | Active Status (a) | Accident and Health Premiums | Medicare Title XVIII | Medicaid Title XIX | Federal Employees Health Benefits Program Premiums | Life and Annuity Premiums and Other Considerations | Property/Casualty Premiums | Total Columns 2 through 7 | Deposit-Type Contracts |
| 1. Alabama.....AL | L | 26,866,188 | | | | | | 26,866,188 | |
| 2. Alaska.....AK | L | | | | | | | 0 | |
| 3. Arizona.....AZ | L | 25,866,105 | | | | | | 25,866,105 | |
| 4. Arkansas.....AR | L | | | | | | | 0 | |
| 5. California.....CA | N | | | | | | | 0 | |
| 6. Colorado.....CO | L | 39,116,311 | | | | | | 39,116,311 | |
| 7. Connecticut.....CT | L | 20,789,212 | | | | | | 20,789,212 | |
| 8. Delaware.....DE | L | 4,055,100 | | | | | | 4,055,100 | |
| 9. District of Columbia.....DC | L | 3,859,758 | | | 85,738,238 | | | 89,597,996 | |
| 10. Florida.....FL | N | | | | | | | 0 | |
| 11. Georgia.....GA | N | | | | | | | 0 | |
| 12. Hawaii.....HI | L | | | | | | | 0 | |
| 13. Idaho.....ID | N | | | | | | | 0 | |
| 14. Illinois.....IL | L | | | | | | | 0 | |
| 15. Indiana.....IN | L | 25,829,309 | | | | | | 25,829,309 | |
| 16. Iowa.....IA | L | 7,968,258 | | | | | | 7,968,258 | |
| 17. Kansas.....KS | L | 9,559,194 | | | | | | 9,559,194 | |
| 18. Kentucky.....KY | L | 4,350,716 | | | | | | 4,350,716 | |
| 19. Louisiana.....LA | L | 7,258,917 | | | | | | 7,258,917 | |
| 20. Maine.....ME | L | 3,460,012 | | | | | | 3,460,012 | |
| 21. Maryland.....MD | N | | | | | | | 0 | |
| 22. Massachusetts.....MA | L | 29,981,762 | | | | | | 29,981,762 | |
| 23. Michigan.....MI | L | 50,888,458 | | | | | | 50,888,458 | |
| 24. Minnesota.....MN | L | 34,029,915 | | | | | | 34,029,915 | |
| 25. Mississippi.....MS | L | 4,775,551 | | | | | | 4,775,551 | |
| 26. Missouri.....MO | N | | | | | | | 0 | |
| 27. Montana.....MT | L | 2,426,641 | | | | | | 2,426,641 | |
| 28. Nebraska.....NE | L | 7,155,590 | | | | | | 7,155,590 | |
| 29. Nevada.....NV | L | | | | | | | 0 | |
| 30. New Hampshire.....NH | L | 3,252,873 | | | | | | 3,252,873 | |
| 31. New Jersey.....NJ | L | 56,322,957 | | | | | | 56,322,957 | |
| 32. New Mexico.....NM | N | | | | | | | 0 | |
| 33. New York.....NY | N | | | | | | | 0 | |
| 34. North Carolina.....NC | L | 58,024,260 | | | | | | 58,024,260 | |
| 35. North Dakota.....ND | L | 1,833,813 | | | | | | 1,833,813 | |
| 36. Ohio.....OH | L | | | | | | | 0 | |
| 37. Oklahoma.....OK | L | 35,259,622 | | | | | | 35,259,622 | |
| 38. Oregon.....OR | L | 14,955,502 | | | | | | 14,955,502 | |
| 39. Pennsylvania.....PA | L | 48,964,465 | | | | | | 48,964,465 | |
| 40. Rhode Island.....RI | L | 20,682,091 | | | | | | 20,682,091 | |
| 41. South Carolina.....SC | L | 7,596,431 | | | | | | 7,596,431 | |
| 42. South Dakota.....SD | L | 8,425,812 | | | | | | 8,425,812 | |
| 43. Tennessee.....TN | L | 28,675,968 | | | | | | 28,675,968 | |
| 44. Texas.....TX | L | 139,812,649 | | | | | | 139,812,649 | |
| 45. Utah.....UT | L | 7,788,037 | | | | | | 7,788,037 | |
| 46. Vermont.....VT | L | 3,870,228 | | | | | | 3,870,228 | |
| 47. Virginia.....VA | L | | | | | | | 0 | |
| 48. Washington.....WA | L | | | | | | | 0 | |
| 49. West Virginia.....WV | L | 2,236,949 | | | | | | 2,236,949 | |
| 50. Wisconsin.....WI | L | 21,064,720 | | | | | | 21,064,720 | |
| 51. Wyoming.....WY | L | | | | | | | 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 alien.....OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. Subtotal.....XXX | | 767,003,374 | 0 | 0 | 85,738,238 | 0 | 0 | 852,741,612 | 0 |
| 60. Reporting entity contributions for Employee Benefit Plans.....XXX | | | | | | | | 0 | |
| 61. Total (Direct Business).....XXX | | 767,003,374 | 0 | 0 | 85,738,238 | 0 | 0 | 852,741,612 | 0 |

DETAILS OF WRITE-INS

| | | | | | | | | | |
|---|--|---|---|---|---|---|---|---|---|
| 58001..... | | | | | | | | 0 | |
| 58002..... | | | | | | | | 0 | |
| 58003..... | | | | | | | | 0 | |
| 58998. Summary of remaining write-ins for line 58 from overflow page..... | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. Total (Lines 58001 thru 58003 plus 58998) (Line 58 above)..... | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

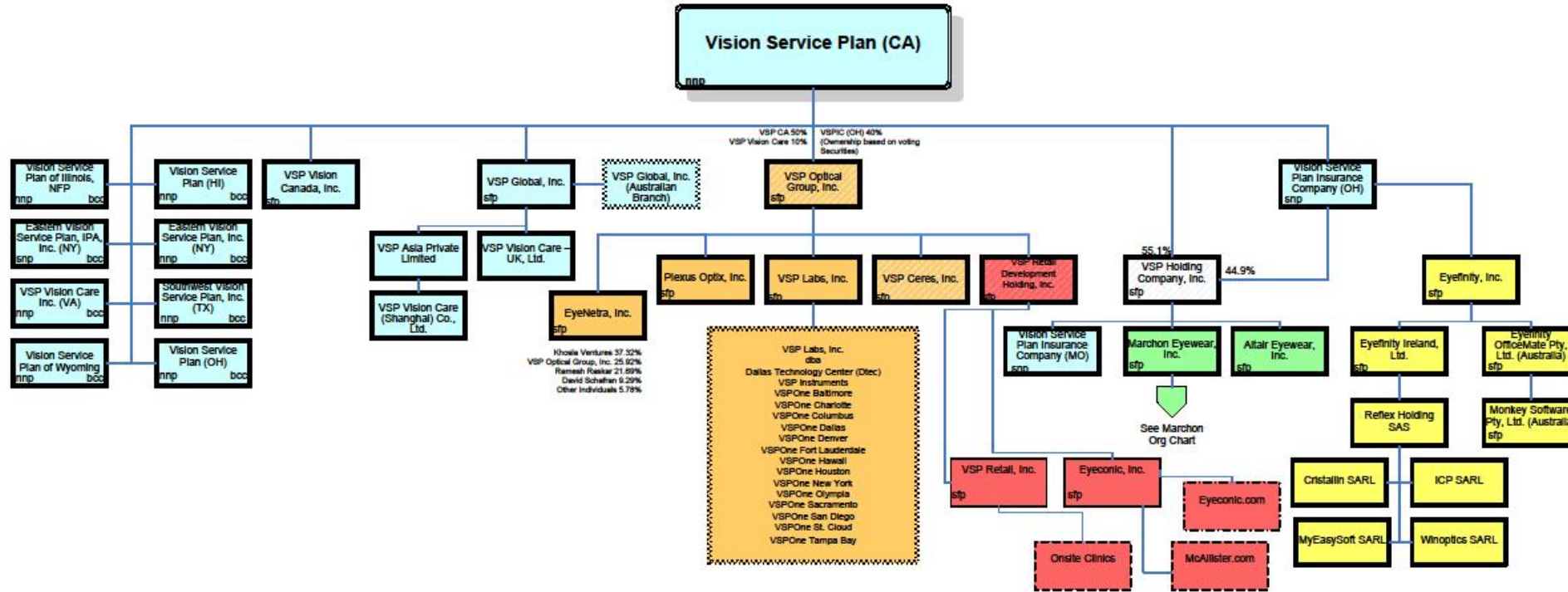
(a) Active Status Count

| | | | |
|---|----|---|----|
| L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... | 43 | R - Registered - Non-domiciled RRGs..... | 0 |
| E - Eligible - Reporting entities eligible or approved to write surplus lines in the state..... | 0 | Q - Qualified - Qualified or accredited reinsurer..... | 0 |
| | | N - None of the above - Not allowed to write business in the state..... | 14 |

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

Organizational Chart, Vision Service Plan



Q15

Legend

| | |
|---|-------------------------------|
| | Vision Benefits Company |
| | Eyewear Company |
| | Practice Solutions Company |
| | Ophthalmic Operations Company |
| | Holding Company |
| | Corporate division or DBA |
| | Joint Venture |
| | Retail |

Corporate Ownership Key

| | |
|-----|-----------------------------------|
| nnp | Non-Stock, non-profit corporation |
| snp | Stock, non-profit corporation |
| stf | Stock, for-profit corporation |
| bcc | Board-controlled corporation |
| xx% | Ownership percentage |

Each entity is 100% owned by its parent unless otherwise indicated.

| Insurance Entities | FEIN | NAIC | Other Entities | FEIN |
|--|------------|-------|--------------------------------------|------------|
| Eastern Vision Service Plan, Inc. | 22-2777159 | 47029 | Allair Eyewear, Inc. | 68-0295156 |
| Eastern Vision Service Plan IPA, Inc. | 20-1949500 | None | Eyeconic, Inc. | 27-3107295 |
| Southwest Vision Service Plan, Inc. | 75-1769288 | None | Eyefinity, Inc. | 68-0450459 |
| Vision Service Plan (CA) | 94-1632621 | None | Marchon Eyewear, Inc. | 11-2617364 |
| Vision Service Plan (HI) | 99-0247673 | None | Plexus Optix, Inc. | 27-0621213 |
| Vision Service Plan (OH) | 31-0725743 | 54380 | VSP Ceres, Inc. | 27-5016913 |
| Vision Service Plan Insurance Company (OH) | 06-1227840 | 39616 | VSP Global, Inc. | 27-0933693 |
| Vision Service Plan Insurance Company (MO) | 36-3560825 | 32395 | VSP Holding Company, Inc. | 26-1998746 |
| Vision Service Plan of Illinois, NFP | 20-0891619 | 12516 | VSP Labs, Inc. | 27-0621143 |
| Vision Service Plan of Wyoming | 83-0212963 | None | VSP Optical Group, Inc. | 27-0621064 |
| VSP Vision Care, Inc. | 23-7089668 | 53031 | VSP Retail Development Holding, Inc. | 46-8369037 |
| | | | VSP Retail, Inc. | 46-5406960 |



Vision Service Plan
Proprietary and Confidential
For Internal Use Only

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | |
|----------------|------------------------|-------------------|------------|--------------|--------------------|--|---|----------------------------|----------------------------------|--|---|--|--|----------------------------------|----|--|
| Group Code | Group Name | NAIC Company Code | ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity/Person) | Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | Is an SCA Filing Required? (Y/N) | * | |
| Members | | | | | | | | | | | | | | | | |
| 016 | Vision Serv Plan Group | 00000 | 56-2355483 | | | | Allure Eyewear, LLC | USA | NIA | Marchon Eyewear, Inc. | Ownership | 51.000 | Vision Service Plan (California) | N | | |
| | | 00000 | 68-0295156 | | | | Altair Eyewear, Inc. | USA | NIA | VSP Holding Company, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | | |
| | | 00000 | | | | | Coordinadora Administrativa de Personal | MEX | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | | |
| | | 00000 | | | | | Cristallin SARL | FRA | NIA | Reflex Holding SAS | Ownership | 100.000 | Vision Service Plan (California) | N | | |
| | | 00000 | | | | | Dragon Alliance South Pacific Pty Ltd | AUS | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | | |
| | | 00000 | 20-1949500 | | | | Eastern Vision Service Plan IPA, Inc. | USA | IA | Vision Service Plan (California) | Board | | | Vision Service Plan (California) | N | |
| | | 00000 | 22-2777159 | | | | Eastern Vision Service Plan, Inc. | USA | IA | Vision Service Plan (California) | Board | | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Entemasyon al Gozluk Sanayi VE Ticaret AS | TUR | NIA | Marchon Europe BV | Ownership | 55.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 23-2941185 | | | | Eye Designs, LLC | USA | NIA | Marchon Eyewear, Inc. | Ownership | 50.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 46-1148774 | | | | Eyecare Innovation Partners, LLC | USA | NIA | VSP Retail, Inc. | Ownership | 50.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 27-3107295 | | | | Eyeconic, Inc. | USA | NIA | VSP Retail Development Holding, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Eyefinity Ireland, Ltd. | IRL | NIA | Eyefinity, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 68-0450459 | | | | Eyefinity, Inc. | USA | NIA | (Ohio) | Ownership | 100.000 | | Vision Service Plan (California) | Y | |
| | | 00000 | | | | | Eyefinity OfficeMate Pty, Ltd. (Australia) | AUS | NIA | Eyefinity Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 45-3675739 | | | | EyeNetra, Inc. | USA | NIA | VSP Optical Group, Inc. | Ownership | 25.920 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | FC 18 Comercio e Representacoes Ltda | BRA | NIA | Marchon Brasil Ltda | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | General Optical Pty Ltd | AUS | NIA | I Enterprises Pty Ltd | Ownership | 96.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | I Enterprises Pty, Ltd | AUS | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | ICP SARL | FRA | NIA | Reflex Holding SAS | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Brasil Ltda | BRA | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 83-4627457 | | | | Marchon Canada, Inc. | CAN | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 98-0201338 | | | | Marchon Europe BV | NLD | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Eyewear (Hong Kong) Ltd | HKG | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Eyewear Shenzhen Ltd. China | CHN | NIA | Marchon Eyewear (Hong Kong) Ltd | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Eyewear (Shanghai) Ltd | CHN | NIA | Marchon Eyewear (Hong Kong) Ltd | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Eyewear Australia Pty Ltd | AUS | NIA | General Optical Pty Ltd | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 11-2617364 | | | | Marchon Eyewear, Inc. | USA | NIA | VSP Holding Company, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 98-0542016 | | | | Marchon France SAS | FRA | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Germany GmbH | DEU | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Gulf FZ Company | ARE | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Hispania SL | ESP | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Italia SRL | ITA | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Japan KK | JPN | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Mauritius Ltd | MUS | NIA | Marchon Eyewear (Hong Kong) Ltd | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Mexico | MEX | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Portugal, Unipessoal, Lda | PRT | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon Singapore Pte. Ltd | SGP | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Marchon UK Ltd | GBR | NIA | Marchon Europe BV | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | 27-3493284 | | | | MEI 3D, LLC | USA | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Monkey Software Pty. Ltd | AUS | NIA | Eyefinity OfficeMate Pty, Ltd. (Australia) | Ownership | 100.000 | | Vision Service Plan (California) | N | |
| 00000 | 27-1700596 | | | | MVO Licensing, LLC | USA | NIA | Marchon Eyewear, Inc. | Ownership | 13.650 | | Vision Service Plan (California) | N | | | |
| 00000 | 27-1700596 | | | | MVO Licensing, LLC | USA | NIA | Optical Opportunities, LLC | Ownership | 58.860 | | Vision Service Plan (California) | N | | | |
| 00000 | | | | | MyEasySoft SARL | FRA | NIA | Reflex Holding SAS | Ownership | 100.000 | | Vision Service Plan (California) | N | | | |

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 |
|------------|------------------------|-------------------|------------|--------------|-----|--|--|----------------------|----------------------------------|--|---|--|--|----------------------------------|----|
| Group Code | Group Name | NAIC Company Code | ID Number | Federal RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity/Person) | Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies)/Person(s) | Is an SCA Filing Required? (Y/N) | * |
| | | 00000 | 88-0465774 | | | | Optical Opportunities, LLC | USA | NIA | Marchon Eyewear, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 27-0621213 | | | | Plexus Optix, Inc. | USA | NIA | VSP Optical Group, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Reflex Holding SAS | IRL | NIA | Eyefinity, Ireland | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 75-1769288 | | | | Southwest Vision Service Plan, Inc. (Texas) | USA | IA | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Sterling Meta-Plast India Private Ltd. | IND | NIA | Marchon Mauritius | Ownership | 49.000 | Vision Service Plan (California) | N | |
| | | 00000 | 94-1632821 | | | | Vision Service Plan (California) | USA | UDP | Vision Service Plan (California) | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 99-0247673 | | | | Vision Service Plan (Hawaii) | USA | IA | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| 1189 | Vision Serv Plan Group | 54380 | 31-0725743 | | | | Vision Service Plan (Ohio) | USA | IA | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| 1189 | Vision Serv Plan Group | 39616 | 06-1227840 | | | | Vision Service Plan Insurance Company (Ohio) | USA | RE | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| 1189 | Vision Serv Plan Group | 32395 | 36-3560825 | | | | Vision Service Plan Insurance Company (Missouri) | USA | IA | VSP Holding Company, Inc. | Board | | Vision Service Plan (California) | N | |
| 1189 | Vision Serv Plan Group | 12516 | 20-0891619 | | | | Vision Service Plan of Illinois, NFP | USA | IA | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| | | 00000 | 83-0212963 | | | | Vision Service Plan of Wyoming (Wyoming) | USA | IA | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | VSP Asia Private Ltd. | HKG | NIA | VSP Global, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | | | | | VSP Canada Vision Care Insurance | CAN | IA | Vision Service Plan (California) | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 27-5016913 | | | | VSP Ceres Inc. | USA | NIA | VSP Optical Group, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 27-0933693 | | | | VSP Global, Inc. | USA | NIA | Vision Service Plan (California) | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 26-1998746 | | | | VSP Holding Company, Inc. | USA | NIA | Vision Service Plan (California) | Ownership | 55.100 | Vision Service Plan (California) | Y | |
| | | 00000 | 26-1998746 | | | | VSP Holding Company, Inc. | USA | NIA | (Ohio) | Ownership | 44.900 | Vision Service Plan (California) | Y | |
| | | 00000 | 27-0621143 | | | | VSP Labs, Inc. | USA | NIA | VSP Optical Group, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 27-0621064 | | | | VSP Optical Group, Inc. | USA | NIA | Vision Service Plan (California) | Ownership | 50.000 | Vision Service Plan (California) | Y | |
| | | 00000 | 27-0621064 | | | | VSP Optical Group, Inc. | USA | NIA | (Ohio) | Ownership | 40.000 | Vision Service Plan (California) | Y | |
| | | 00000 | 27-0621064 | | | | VSP Optical Group, Inc. | USA | NIA | VSP Vision Care, Inc. (Virginia) | Ownership | 10.000 | Vision Service Plan (California) | Y | |
| | | 00000 | 46-5393037 | | | | VSP Retail Development Holding, Inc. | USA | NIA | VSP Optical Group, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | 46-5406960 | | | | VSP Retail, Inc. | USA | NIA | VSP Retail Development Holding, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | | | | | VSP Vision Care (Shanghai) Co., Ltd. | CHN | NIA | VSP Asia Private Ltd. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| | | 00000 | | | | | VSP Vision Care - UK, Ltd. | GBR | NIA | VSP Global, Inc. | Ownership | 100.000 | Vision Service Plan (California) | N | |
| 1189 | Vision Serv Plan Group | 53031 | 23-7089668 | | | | VSP Vision Care, Inc. (Virginia) | USA | IA | Vision Service Plan (California) | Board | | Vision Service Plan (California) | N | |
| | | 00000 | | | | | Winoptics SARL | FRA | NIA | Reflex Holding SAS | Ownership | 100.000 | Vision Service Plan (California) | N | |

Q16.1

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 Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?

NO

Explanation:

1. The data for this supplement is not required to be filed.

Bar Code:



NONE

Vision Service Plan Insurance Company
SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year..... | 0 | |
| 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 points 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)..... | 0 | 0 |
| 12. Total valuation allowance..... | | |
| 13. Subtotal (Line 11 plus Line 12)..... | 0 | 0 |
| 14. Deduct total nonadmitted amounts..... | | |
| 15. Statement value at end of current period (Line 13 minus Line 14)..... | 0 | 0 |

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 0 | |
| 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)..... | 0 | 0 |
| 12. Deduct total nonadmitted amounts..... | | |
| 13. Statement value at end of current period (Line 11 minus Line 12)..... | 0 | 0 |

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 Year to Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year..... | 368,613,062 | 339,934,465 |
| 2. Cost of bonds and stocks acquired..... | 4,324,517 | 28,786,284 |
| 3. Accrual of discount..... | 26,200 | 26,933 |
| 4. Unrealized valuation increase (decrease)..... | (36,086,356) | 22,615,265 |
| 5. Total gain (loss) on disposals..... | 768,115 | 713,461 |
| 6. Deduct consideration for bonds and stocks disposed of..... | 12,870,658 | 23,341,078 |
| 7. Deduct amortization of premium..... | 52,215 | 122,267 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | | |
| 9. Deduct current year's other-than-temporary impairment recognized..... | | |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees..... | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9+10)..... | 324,722,665 | 368,613,062 |
| 12. Deduct total nonadmitted amounts..... | 259,766,587 | 295,528,661 |
| 13. Statement value at end of current period (Line 11 minus Line 12)..... | 64,956,078 | 73,084,401 |

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)..... | .80,158,432 | .68,669,533 | .74,161,000 | .119,519 | .108,954,870 | .80,158,432 | .74,786,484 | .79,215,084 |
| 2. NAIC 2 (a)..... | .750,000 | | | | .750,000 | .750,000 | .750,000 | .750,000 |
| 3. NAIC 3 (a)..... | | | | | | | .0 | |
| 4. NAIC 4 (a)..... | | | | | | | .0 | |
| 5. NAIC 5 (a)..... | | | | | | | .0 | |
| 6. NAIC 6 (a)..... | | | | | | | .0 | |
| 7. Total Bonds..... | .80,908,432 | .68,669,533 | .74,161,000 | .119,519 | .109,704,870 | .80,908,432 | .75,536,484 | .79,965,084 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1..... | | | | | | | .0 | |
| 9. NAIC 2..... | | | | | | | .0 | |
| 10. NAIC 3..... | | | | | | | .0 | |
| 11. NAIC 4..... | | | | | | | .0 | |
| 12. NAIC 5..... | | | | | | | .0 | |
| 13. NAIC 6..... | | | | | | | .0 | |
| 14. Total Preferred Stock..... | .0 | .0 | .0 | .0 | .0 | .0 | .0 | .0 |
| 15. Total Bonds and Preferred Stock..... | .80,908,432 | .68,669,533 | .74,161,000 | .119,519 | .109,704,870 | .80,908,432 | .75,536,484 | .79,965,084 |

QS102

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....23,228,892; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Interest Collected Year To Date | 5 Paid for Accrued Interest Year To Date |
|--------------|--------------------------------------|----------------|---------------------|---|--|
| 9199999..... |245,931 |XXX..... |245,644 |2,030 |338 |

SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... |1,995,013 |100,858,090 |
| 2. Cost of short-term investments acquired..... |16,165,440 |32,302,022 |
| 3. Accrual of discount..... |85,477 |141,369 |
| 4. Unrealized valuation increase (decrease)..... | ..... | ..... |
| 5. Total gain (loss) on disposals..... | ..... | .....(0) |
| 6. Deduct consideration received on disposals..... |18,000,000 |131,271,076 |
| 7. Deduct amortization of premium..... | ..... | .....35,391 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | ..... | ..... |
| 9. Deduct current year's other-than-temporary impairment recognized..... | ..... | ..... |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... |245,931 |1,995,013 |
| 11. Deduct total nonadmitted amounts..... | ..... | ..... |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... |245,931 |1,995,013 |

**Sch. DB - Pt. A - Verification
NONE**

**Sch. DB - Pt. B - Verification
NONE**

**Sch. DB - Pt. C - Sn. 1
NONE**

**Sch. DB - Pt. C - Sn. 2
NONE**

**Sch. DB - Verification
NONE**

SCHEDULE E - PART 2 - VERIFICATION

Cash Equivalents

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 136,630,781 | |
| 2. Cost of cash equivalents acquired..... | 1,224,896,179 | 1,617,822,201 |
| 3. Accrual of discount..... | 439,129 | 19,171 |
| 4. Unrealized valuation increase (decrease)..... | | |
| 5. Total gain (loss) on disposals..... | | 0 |
| 6. Deduct consideration received on disposals..... | 1,260,303,952 | 1,481,210,328 |
| 7. Deduct amortization of premium..... | | .262 |
| 8. Total foreign exchange change in book/ adjusted carrying value..... | | |
| 9. Deduct current year's other-than-temporary impairment recognized..... | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)..... | 101,662,137 | 136,630,781 |
| 11. Deduct total nonadmitted amounts..... | | |
| 12. Statement value at end of current period (Line 10 minus Line 11)..... | 101,662,137 | 136,630,781 |

**Sch. A - Pt. 2
NONE**

**Sch. A - Pt. 3
NONE**

**Sch. B - Pt. 2
NONE**

**Sch. B - Pt. 3
NONE**

**Sch. BA - Pt. 2
NONE**

**Sch. BA - Pt. 3
NONE**

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During 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) |
| Bonds - Industrial and Miscellaneous | | | | | | | | | |
| 68389X BB 0 | ORACLE CORP..... | | 09/19/2018..... | WELLS FARGO SECURITIES LLC..... | | 516,725 | 530,000 | 4,638 | 1FE..... |
| 742718 EQ 8 | PROCTER & GAMBLE CO..... | | 08/28/2018..... | WELLS FARGO SECURITIES LLC..... | | 481,821 | 500,000 | 2,763 | 1FE..... |
| 3899999 | Total - Bonds - Industrial and Miscellaneous..... | | | | | 998,546 | 1,030,000 | 7,400 | .XXX..... |
| 8399997 | Total - Bonds - Part 3..... | | | | | 998,546 | 1,030,000 | 7,400 | .XXX..... |
| 8399999 | Total - Bonds..... | | | | | 998,546 | 1,030,000 | 7,400 | .XXX..... |
| Common Stocks - Industrial and Miscellaneous | | | | | | | | | |
| 00206R 10 2 | AT&T ORD..... | | 08/15/2018..... | Morgan Stanley..... | 19,000 | 618 | XXX | | L..... |
| 00687A 10 7 | ADIDAS ADR..... | C..... | 07/11/2018..... | Morgan Stanley..... | 51,000 | 5,466 | XXX | | U..... |
| 00912X 30 2 | AIR LEASE CL A ORD..... | | 07/11/2018..... | RW Baird..... | 1,330,000 | 56,672 | XXX | | L..... |
| 012653 10 1 | ALBEMARLE ORD..... | | 08/22/2018..... | RW Baird..... | 628,000 | 59,532 | XXX | | L..... |
| 054536 10 7 | AXA ADR..... | C..... | 07/13/2018..... | Morgan Stanley..... | 97,000 | 2,357 | XXX | | L..... |
| 12572Q 10 5 | CME GROUP CL A ORD..... | | 09/18/2018..... | Morgan Stanley..... | 140,000 | 23,586 | XXX | | L..... |
| 126650 10 0 | CVS HEALTH ORD..... | | 08/15/2018..... | Morgan Stanley..... | 17,000 | 1,217 | XXX | | L..... |
| 143658 30 0 | CARNIVAL ORD..... | | 09/18/2018..... | Morgan Stanley..... | 38,000 | 2,501 | XXX | | L..... |
| 194162 10 3 | COLGATE PALMOLIVE ORD..... | | 08/15/2018..... | Morgan Stanley..... | 304,000 | 19,986 | XXX | | L..... |
| 20030N 10 1 | COMCAST CL A ORD..... | | 08/15/2018..... | Morgan Stanley..... | 428,000 | 14,967 | XXX | | L..... |
| 204280 30 9 | COMPAGNIE DE SAINT GOBAIN UNSPON ADR..... | C..... | 08/01/2018..... | Morgan Stanley..... | 2,497,000 | 21,651 | XXX | | L..... |
| 26874R 10 8 | ENI ADR..... | C..... | 07/19/2018..... | Morgan Stanley..... | 432,000 | 16,294 | XXX | | L..... |
| 450737 10 1 | IBERDROLA ADR..... | C..... | 09/01/2018..... | Morgan Stanley..... | 22,400 | 681 | XXX | | U..... |
| 539830 10 9 | LOCKHEED MARTIN ORD..... | | 09/18/2018..... | Morgan Stanley..... | 13,000 | 4,424 | XXX | | L..... |
| 548661 10 7 | LOWE'S COMPANIES ORD..... | | 08/15/2018..... | Morgan Stanley..... | 16,000 | 1,550 | XXX | | L..... |
| 609207 10 5 | MONDELEZ INTERNATIONAL CL A ORD..... | | 08/15/2018..... | Morgan Stanley..... | 253,000 | 10,665 | XXX | | L..... |
| 713448 10 8 | PEPSICO ORD..... | | 08/15/2018..... | Morgan Stanley..... | 17,000 | 1,930 | XXX | | L..... |
| 74440L 10 6 | PRYSMIAN S P A MILANO UNSPONSORE ADR..... | C..... | 09/25/2018..... | Morgan Stanley..... | 1,334,000 | 16,906 | XXX | | V..... |
| 749661 10 4 | RPC GROUP UNSPON ADR REP ORD..... | C..... | 07/26/2018..... | Morgan Stanley..... | 267,000 | 5,798 | XXX | | V..... |
| 806857 10 8 | SCHLUMBERGER ORD..... | C..... | 08/29/2018..... | Morgan Stanley..... | 132,000 | 8,519 | XXX | | L..... |
| 858912 10 8 | STERICYCLE ORD..... | | 08/06/2018..... | RW Baird..... | 875,000 | 54,096 | XXX | | L..... |
| 88032Q 10 9 | TENCENT HOLDINGS ADR..... | C..... | 09/21/2018..... | Morgan Stanley..... | 245,000 | 10,579 | XXX | | U..... |
| 884903 10 5 | THOMSON REUTERS ORD..... | C..... | 08/13/2018..... | Morgan Stanley..... | 252,000 | 10,648 | XXX | | L..... |
| 90348R 10 2 | UBI SOFT ENTERTAINME ADR REP 1/5 ORD..... | C..... | 09/06/2018..... | Morgan Stanley..... | 510,000 | 10,339 | XXX | | L..... |
| 904678 40 6 | UNICREDITO SPA UNSPONSORED ITALY ADR..... | C..... | 07/19/2018..... | Morgan Stanley..... | 2,991,000 | 24,111 | XXX | | L..... |
| G6518L 10 8 | NIELSEN HOLDINGS ORD..... | C..... | 08/15/2018..... | Morgan Stanley..... | 614,000 | 18,692 | XXX | | L..... |
| N20944 10 9 | CNH INDUSTRIAL ORD..... | C..... | 07/30/2018..... | Morgan Stanley..... | 930,000 | 10,882 | XXX | | L..... |
| N6596X 10 9 | NXP SEMICONDUCTORS ORD..... | C..... | 09/18/2018..... | Morgan Stanley..... | 174,000 | 16,393 | XXX | | L..... |
| 9099999 | Total - Common Stocks - Industrial and Miscellaneous..... | | | | | 431,061 | XXX | 0 | .XXX..... |
| Common Stocks - Mutual Funds | | | | | | | | | |
| 78462F 10 3 | SPDR S&P 500 ETF..... | | 09/14/2018..... | Morgan Stanley..... | 189,000 | 54,990 | XXX | | L..... |
| 9299999 | Total - Common Stocks - Mutual Funds..... | | | | | 54,990 | XXX | 0 | .XXX..... |
| 9799997 | Total - Common Stocks - Part 3..... | | | | | 486,050 | XXX | 0 | .XXX..... |
| 9799999 | Total - Common Stocks..... | | | | | 486,050 | XXX | 0 | .XXX..... |
| 9899999 | Total - Preferred and Common Stocks..... | | | | | 486,050 | XXX | 0 | .XXX..... |
| 9999999 | Total - Bonds, Preferred and Common Stocks..... | | | | | 1,484,596 | XXX | 7,400 | .XXX..... |

QE04

(a) For all common stock bearing NAIC market indicator "U" provide the number of such issues:.....3.

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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 Identification | Description | F o r e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | 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 Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| Bonds - U.S. Special Revenue and Special Assessment | | | | | | | | | | | | | | | | | | | | | |
| 3130A8 | RX 3 | | 07/27/2018 | Maturity @ 100.00 | | 750,000 | 750,000 | 749,625 | 749,891 | | 109 | | 109 | | 750,000 | | | 0 | 6,225 | 07/27/2018 | 1 |
| 3134GA | GF 5 | | 09/13/2018 | Maturity @ 100.00 | | 425,000 | 425,000 | 424,469 | 424,793 | | 207 | | 207 | | 425,000 | | | 0 | 4,675 | 09/13/2018 | 1 |
| 3135G0 | YM 9 | | 09/18/2018 | Maturity @ 100.00 | | 1,000,000 | 1,000,000 | 1,016,050 | 1,004,189 | | (4,189) | | (4,189) | | 1,000,000 | | | 0 | 18,750 | 09/18/2018 | 1 |
| 3199999 | Total - Bonds - U.S. Special Revenue and Special Assessments | | | | | 2,175,000 | 2,175,000 | 2,190,144 | 2,178,874 | 0 | (3,874) | 0 | (3,874) | 0 | 2,175,000 | 0 | 0 | 0 | 29,650 | XXX | XXX |
| Bonds - Industrial and Miscellaneous | | | | | | | | | | | | | | | | | | | | | |
| 02587C | AS 9 | | 08/14/2018 | Maturity @ 100.00 | | 250,000 | 250,000 | 250,000 | 250,000 | | | | 0 | | 250,000 | | | 0 | 4,000 | 08/14/2018 | 1 |
| 254671 | WU 0 | | 09/25/2018 | Maturity @ 100.00 | | 250,000 | 250,000 | 250,000 | 250,000 | | | | 0 | | 250,000 | | | 0 | 5,125 | 09/25/2018 | 1 |
| 36163C | TK 6 | | 08/08/2018 | Maturity @ 100.00 | | 250,000 | 250,000 | 250,000 | 250,000 | | | | 0 | | 250,000 | | | 0 | 4,250 | 08/08/2018 | 1 |
| 3899999 | Total - Bonds - Industrial and Miscellaneous | | | | | 750,000 | 750,000 | 750,000 | 750,000 | 0 | 0 | 0 | 0 | 0 | 750,000 | 0 | 0 | 0 | 13,375 | XXX | XXX |
| 8399997 | Total - Bonds - Part 4 | | | | | 2,925,000 | 2,925,000 | 2,940,144 | 2,928,874 | 0 | (3,874) | 0 | (3,874) | 0 | 2,925,000 | 0 | 0 | 0 | 43,025 | XXX | XXX |
| 8399999 | Total - Bonds | | | | | 2,925,000 | 2,925,000 | 2,940,144 | 2,928,874 | 0 | (3,874) | 0 | (3,874) | 0 | 2,925,000 | 0 | 0 | 0 | 43,025 | XXX | XXX |
| Common Stocks - Industrial and Miscellaneous | | | | | | | | | | | | | | | | | | | | | |
| 00507V | 10 9 | | 08/06/2018 | RW Baird | | 245,000 | 17,305 | XXX | 3,109 | 15,513 | (12,405) | | (12,405) | | 3,109 | | 14,196 | 14,196 | 104 | XXX | L |
| 03027X | 10 0 | | 08/06/2018 | RW Baird | | 351,000 | 51,268 | XXX | 10,330 | 50,077 | (39,747) | | (39,747) | | 10,330 | | 40,938 | 40,938 | 852 | XXX | L |
| 037833 | 10 0 | | 09/11/2018 | Morgan Stanley | | 38,000 | 8,483 | XXX | 2,933 | 6,431 | (3,498) | | (3,498) | | 2,933 | | 5,550 | 5,550 | 79 | XXX | L |
| 110448 | 10 7 | | 09/06/2018 | Morgan Stanley | | 357,000 | 16,997 | XXX | 21,045 | 7,101 | (639) | | (639) | | 21,045 | | (4,048) | (4,048) | 359 | XXX | L |
| 16941R | 10 8 | | 08/13/2018 | Morgan Stanley | | 187,000 | 17,593 | XXX | 13,345 | 13,720 | (375) | | (375) | | 13,345 | | 4,249 | 4,249 | 1,057 | XXX | L |
| 22943F | 10 0 | | 09/25/2018 | Morgan Stanley | | 396,000 | 14,888 | XXX | 18,854 | 17,331 | 1,382 | | 1,382 | | 18,854 | | (3,966) | (3,966) | | XXX | L |
| 23381B | 10 6 | | 07/17/2018 | Morgan Stanley | | 2,260,000 | 25,907 | XXX | 21,527 | 26,800 | (5,273) | | (5,273) | | 21,527 | | 4,380 | 4,380 | 130 | XXX | L |
| 450737 | 10 1 | | 08/08/2018 | Morgan Stanley | | 0.400 | | XXX | 11 | 12 | (1) | | (1) | | 11 | | 2 | 2 | 0 | XXX | L |
| 495724 | 40 3 | | 09/21/2018 | Morgan Stanley | | 2,590,000 | 17,135 | XXX | 22,553 | 13,301 | (1,920) | | (1,920) | | 22,553 | | (5,417) | (5,417) | 513 | XXX | U |
| 718172 | 10 9 | | 09/14/2018 | Morgan Stanley | | 285,000 | 22,554 | XXX | 29,066 | | | | 0 | | 29,066 | | (6,512) | (6,512) | 325 | XXX | L |
| 718546 | 10 4 | | 08/16/2018 | Morgan Stanley | | 161,000 | 18,605 | XXX | 9,687 | 16,285 | (6,598) | | (6,598) | | 9,687 | | 8,918 | 8,918 | 242 | XXX | L |
| 803054 | 20 4 | | 07/27/2018 | Morgan Stanley | | 29,000 | 3,455 | XXX | 3,058 | 3,258 | (201) | | (201) | | 3,058 | | 397 | 397 | 35 | XXX | L |
| 806857 | 10 8 | | 09/14/2018 | Morgan Stanley | | 446,000 | 27,272 | XXX | 29,903 | | | | 0 | | 29,903 | | (2,631) | (2,631) | 157 | XXX | L |
| 86428V | 10 4 | | 06/28/2018 | Morgan Stanley | | | | XXX | | | | | 0 | | | | | 0 | 201 | XXX | U |
| 87165B | 10 3 | | 08/16/2018 | RW Baird | | 1,740,000 | 51,839 | XXX | 49,424 | 67,181 | (17,757) | | (17,757) | | 49,424 | | 2,415 | 2,415 | 887 | XXX | L |
| 907818 | 10 8 | | 07/11/2018 | Morgan Stanley | | 45,000 | 6,327 | XXX | 2,094 | 6,035 | (3,940) | | (3,940) | | 2,094 | | 4,233 | 4,233 | 66 | XXX | L |
| 963320 | 10 6 | | 09/14/2018 | Morgan Stanley | | 44,000 | 5,434 | XXX | 5,108 | 7,420 | (2,312) | | (2,312) | | 5,108 | | 327 | 327 | 99 | XXX | L |
| G5480U | 12 0 | | 07/27/2018 | Morgan Stanley | | 524,000 | 13,764 | XXX | 15,717 | | | | 0 | | 15,717 | | (1,953) | (1,953) | | XXX | L |
| G5960L | 10 3 | | 07/11/2018 | Morgan Stanley | | 80,000 | 6,987 | XXX | 6,021 | 6,460 | (439) | | (439) | | 6,021 | | 966 | 966 | 74 | XXX | L |
| G6518L | 10 8 | | 08/31/2018 | Morgan Stanley | | 614,000 | 16,040 | XXX | 18,692 | | | | 0 | | 18,692 | | (2,651) | (2,651) | 215 | XXX | L |
| 9099999 | Total - Common Stocks - Industrial and Miscellaneous | | | | | 341,867 | XXX | 282,476 | 256,927 | (93,724) | 0 | 0 | (93,724) | 0 | 282,476 | 0 | 59,391 | 59,391 | 5,395 | XXX | XXX |
| Common Stocks - Mutual Funds | | | | | | | | | | | | | | | | | | | | | |
| 78462F | 10 3 | | 07/19/2018 | Morgan Stanley | | 225,000 | 63,034 | XXX | 62,124 | | | | 0 | | 62,124 | | 911 | 911 | | XXX | L |
| 921943 | 85 8 | | 07/19/2018 | Morgan Stanley | | 972,000 | 41,832 | XXX | 42,744 | | | | 0 | | 42,744 | | (913) | (913) | 525 | XXX | L |

QE05

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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 Identification | Description | F o r e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | 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 Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| 9299999. | Total - Common Stocks - Mutual Funds..... | | | | | 104,866 | XXX | 104,868 | 0 | 0 | 0 | 0 | 0 | 0 | 104,868 | 0 | (2) | (2) | 525 | XXX | XXX |
| 9799997. | Total - Common Stocks - Part 4..... | | | | | 446,733 | XXX | 387,344 | 256,927 | (93,724) | 0 | 0 | (93,724) | 0 | 387,344 | 0 | 59,389 | 59,389 | 5,920 | XXX | XXX |
| 9799999. | Total - Common Stocks..... | | | | | 446,733 | XXX | 387,344 | 256,927 | (93,724) | 0 | 0 | (93,724) | 0 | 387,344 | 0 | 59,389 | 59,389 | 5,920 | XXX | XXX |
| 9899999. | Total - Preferred and Common Stocks..... | | | | | 446,733 | XXX | 387,344 | 256,927 | (93,724) | 0 | 0 | (93,724) | 0 | 387,344 | 0 | 59,389 | 59,389 | 5,920 | XXX | XXX |
| 9999999. | Total - Bonds, Preferred and Common Stocks..... | | | | | 3,371,733 | XXX | 3,327,488 | 3,185,801 | (93,724) | (3,874) | 0 | (97,597) | 0 | 3,312,344 | 0 | 59,389 | 59,389 | 48,945 | XXX | XXX |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues: 2.

Sch. DB - Pt. A - Sn. 1
NONE

Sch. DB - Pt. B - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 2
NONE

Sch. DL - Pt. 1
NONE

Sch. DL - Pt. 2
NONE

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 First Month | 7 Second Month | 8 Third Month | |
| Open Depositories | | | | | | | | |
| Regions Bank..... | | | | |200,000 |200,000 |200,000 | XXX |
| Regions Bank..... | | |2 | |1,322 |1,252 |1,253 | XXX |
| Union Bank..... | | | | |39,760,979 |1,312,392 |24,193,712 | XXX |
| Bank of America..... Sacramento, CA..... | | | | |(28,970,089) |(31,116,104) |(66,635,755) | XXX |
| Union Bank..... Sacramento, CA..... | | | | |3,432,693 |3,938,411 |1,175,968 | XXX |
| 0199998. Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories..... | XXX | XXX | | |53,564 |(1) |9,291 | XXX |
| 0199999. Total Open Depositories..... | XXX | XXX |2 |0 |14,478,469 |(25,664,051) |(41,055,529) | XXX |
| 0399999. Total Cash on Deposit..... | XXX | XXX |2 |0 |14,478,469 |(25,664,051) |(41,055,529) | XXX |
| 0599999. Total Cash..... | XXX | XXX |2 |0 |14,478,469 |(25,664,051) |(41,055,529) | XXX |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|------|-----------------|------------------|-----------------|------------------------------|----------------------------------|-----------------------------|
| CUSIP | Description | Code | Date Acquired | Rate of Interest | Maturity Date | Book/Adjusted Carrying Value | Amount of Interest Due & Accrued | Amount Received During Year |
| U.S. Government Bonds - Issuer Obligations | | | | | | | | |
| | UNITED STATES TREASURY..... | | 09/27/2018..... | | 10/11/2018..... | 9,994,333 | | 2,267 |
| | UNITED STATES TREASURY..... | | 09/25/2018..... | | 10/25/2018..... | 4,993,117 | | 1,147 |
| 0199999 | U.S. Government Bonds - Issuer Obligations..... | | | | | 14,987,450 | 0 | 3,414 |
| 0599999 | Total - U.S. Government Bonds..... | | | | | 14,987,450 | 0 | 3,414 |
| Bonds - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations | | | | | | | | |
| | Koch Industries, Inc..... | | 09/19/2018..... | | 10/11/2018..... | 7,995,511 | | 4,938 |
| 3299999 | Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations..... | | | | | 7,995,511 | 0 | 4,938 |
| 3899999 | Total - Industrial & Miscellaneous (Unaffiliated)..... | | | | | 7,995,511 | 0 | 4,938 |
| Total Bonds | | | | | | | | |
| 7799999 | Subtotals - Issuer Obligations..... | | | | | 22,982,961 | 0 | 8,352 |
| 8399999 | Subtotals - Bonds..... | | | | | 22,982,961 | 0 | 8,352 |
| All Other Money Market Mutual Funds | | | | | | | | |
| 61747C 82 2 | MORG STAN I LQ:GS PAR..... | | 09/28/2018..... | 1.690 | | 71,140 | | 85 |
| 8699999 | Total - All Other Money Market Mutual Funds..... | | | | | 71,140 | 0 | 85 |
| Other Cash Equivalents | | | | | | | | |
| | BLKRK LQ:T-FUND INSTL..... | | 09/26/2018..... | 2.030 | | 77,533,520 | 97,734 | |
| | DREYFUS GOVT SECS INST..... | | 09/28/2018..... | 1.960 | | 102,425 | | 335 |
| | FIRST AMER.TRS OBG V..... | SD | 09/05/2018..... | 1.890 | | 201,066 | 288 | 2,030 |
| | WELLS FRGO TREASURY PLUS CL I MMF..... | | 09/28/2018..... | 1.990 | | 706,313 | 78 | 456 |
| | WELLS FRGO TREASURY PLUS CL I MMF..... | SD | 09/28/2018..... | 1.990 | | 64,711 | | 552 |
| 8799999 | Total - Other Cash Equivalents..... | | | | | 78,608,036 | 98,100 | 3,373 |
| 8899999 | Total - Cash Equivalents..... | | | | | 101,662,137 | 98,100 | 11,809 |

QE13