



QUARTERLY STATEMENT

AS OF JUNE 30, 2018
OF THE CONDITION AND AFFAIRS OF THE

MCNA INSURANCE COMPANY

NAIC Group Code 4730, 4730 NAIC Company Code 14063 Employer's ID Number 522459969

Organized under the Laws of State of Domicile or Port of Entry Texas

Country of Domicile US

Licensed as business type:

Life, Accident and Health [X] Property/Casualty [] Hospital, Medical and Dental Service or Indemnity []
Dental Service Corporation [] Vision Service Corporation [] Other []
Health Maintenance Organization [] Is HMO Federally Qualified? Yes () No ()

Incorporated/Organized May 4, 2011 Commenced Business May 4, 2011

Statutory Home Office 100 Congress Avenue Suite 1100, Austin, Texas, US 78701

Main Administrative Office 200 West Cypress Creek Road Suite 500, Fort Lauderdale, Florida, US 33309 Aldo Rodriguez

Mail Address 800-494-6262

Primary Location of Books and Records 33309
800-494-6262 x168

Internet Website Address www.mcna.net

Statutory Statement Contact US 78701
Edward Strongin (Name) (Area Code) (Telephone Number) (Extension)
(E-Mail Address) 800-494-6262 x189 (Fax Number)

OFFICERS

JEFFREY FEINGOLD (PRESIDENT/CEO)
CARLOS LACASA (SECRETARY)

GLEN FEINGOLD (CHIEF OPERATING OFFICER)
EDWARD STRONGIN (TREASURY)

OTHER OFFICERS

DIRECTORS OR TRUSTEES

JEFFREY FEINGOLD, DDS
GLEN FEINGOLD
BARBARA FEINGOLD
CARLOS LACASA
GARY CLARKE
ALBERT HAWKINS
JACK GREENMAN, CPA
SAM HAMMER, CPA

State of Florida }
County of Broward } SS

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.

JEFFREY FEINGOLD, DDS PRESIDENT/CEO GLEN FEINGOLD CHIEF OPERATING OFFICER CARLOS LACASA SECRETARY

Subscribed and sworn to before me this day of a. Is this an original filing? Yes (X) No ()
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

ASSETS

	Current Statement Date			4 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col. 1 minus Col. 2)	
1. Bonds	106,702,469		106,702,469	107,136,143
2. Stocks:				
2.1 Preferred stocks	2,583,271		2,583,271	1,753,048
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ 48,027,025), cash equivalents (\$ 5,450,256) and short-term investments (\$ 6,778,131)	60,255,412		60,255,412	61,796,030
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	739,213		739,213	
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	170,280,365		170,280,365	170,685,221
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	869,914		869,914	839,493
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	27,508,580		27,508,580	4,285,131
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)	459,673	459,673		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	1,241,222	1,241,222		
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	2,441,521	2,441,521		
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	202,801,275	4,142,416	198,658,859	175,809,845
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Totals (Line 26 and Line 27)	202,801,275	4,142,416	198,658,859	175,809,845
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)				
2501. Prepays	2,402,018	2,402,018		
2502. Security Deposit	39,503	39,503		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	2,441,521	2,441,521		

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ 11,055,343 reinsurance ceded)	25,205,292		25,205,292	26,256,022
2. Accrued medical incentive pool and bonus amounts	1,466,129		1,466,129	2,587,621
3. Unpaid claims adjustment expenses				
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	1,973,064		1,973,064	1,276,268
5. Aggregate life policy reserves				
6. Property/casualty unearned premium reserve				
7. Aggregate health claim reserves				
8. Premiums received in advance				
9. General expenses due or accrued	21,858,046		21,858,046	8,352,302
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized gains (losses))				
10.2 Net deferred tax liability				
11. Ceded reinsurance premiums payable				
12. Amounts withheld or retained for the account of others				
13. Remittances and items not allocated				
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)				
15. Amounts due to parent, subsidiaries and affiliates				
16. Derivatives				
17. Payable for securities	2,237,100		2,237,100	
18. Payable for securities lending				
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ 11,055,343 unauthorized reinsurers and \$ certified reinsurers)	11,055,343		11,055,343	12,255,596
20. Reinsurance in unauthorized and certified (\$) companies				
21. Net adjustments in assets and liabilities due to foreign exchange rates				
22. Liability for amounts held under uninsured plans				
23. Aggregate write-ins for other liabilities (including \$ current)				
24. Total liabilities (Line 1 to Line 23)	63,794,974		63,794,974	50,727,809
25. Aggregate write-ins for special surplus funds	XXX	XXX		
26. Common capital stock	XXX	XXX	2,000,000	2,000,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	28,000,000	28,000,000
29. Surplus notes	XXX	XXX		
30. Aggregate write-ins for other-than-special surplus funds	XXX	XXX		
31. Unassigned funds (surplus)	XXX	XXX	104,863,885	95,082,037
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Line 25 to Line 31 minus Line 32)	XXX	XXX	134,863,885	125,082,037
34. Total Liabilities, capital and surplus (Line 24 and Line 33)	XXX	XXX	198,658,859	175,809,846
DETAILS OF WRITE-INS				
2301.				
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page				
2399. Totals (Line 2301 through Line 2303 plus Line 2398) (Line 23 above)				
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX		
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	XXX	XXX		
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX		
3099. Totals (Line 3001 through Line 3003 plus Line 3098) (Line 30 above)	XXX	XXX		

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	X X X	22,911,916	19,192,962	39,660,443
2. Net premium income (including \$ non-health premium income)	X X X	370,483,141	292,812,061	602,846,481
3. Change in unearned premium reserves and reserve for rate credits	X X X	(1,000,000)	(1,797,872)	(7,931,761)
4. Fee-for-service (net of \$ medical expenses)	X X X			
5. Risk revenue	X X X			
6. Aggregate write-ins for other health care related revenues	X X X			
7. Aggregate write-ins for other non-health revenues	X X X			
8. Total revenues (Line 2 to Line 7)	X X X	369,483,141	291,014,189	594,914,720
Hospital and Medical:				
9. Hospital/medical benefits		387,191,883	332,011,800	684,130,722
10. Other professional services				
11. Outside referrals				
12. Emergency room and out-of-area				
13. Prescription drugs				
14. Aggregate write-ins for other hospital and medical				
15. Incentive pool, withhold adjustments and bonus amounts		1,125,000	1,462,621	2,587,621
16. Subtotal (Line 9 to Line 15)		388,316,883	333,474,421	686,718,343
Less:				
17. Net reinsurance recoveries		106,249,574	107,703,565	213,767,338
18. Total hospital and medical (Line 16 minus Line 17)		282,067,309	225,770,856	472,951,005
19. Non-health claims (net)				
20. Claims adjustment expenses, including \$ cost containment expenses				
21. General administrative expenses		74,322,332	52,723,688	106,967,116
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)				
23. Total underwriting deductions (Line 18 through Line 22)		356,389,641	278,494,544	579,918,121
24. Net underwriting gain or (loss) (Line 8 minus Line 23)	X X X	13,093,500	12,519,645	14,996,599
25. Net investment income earned		1,745,202	1,148,988	2,187,097
26. Net realized capital gains (losses) less capital gains tax of \$		(396,740)	(74,932)	(173,961)
27. Net investment gains (losses) (Line 25 plus Line 26)		1,348,462	1,074,056	2,013,136
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]				
29. Aggregate write-ins for other income or expenses				
30. Net income or (loss) after capital gains tax and before all other federal income taxes	X X X	14,441,962	13,593,701	17,009,735
(Line 24 plus Line 27 plus Line 28 plus Line 29)				
31. Federal and foreign income taxes incurred	X X X			
32. Net income (loss) (Line 30 minus Line 31)	X X X	14,441,962	13,593,701	17,009,735
DETAILS OF WRITE-INS				
0601.	X X X			
0602.	X X X			
0603.	X X X			
0698. Summary of remaining write-ins for Line 6 from overflow page	X X X			
0699. Totals (Line 0601 through Line 0603 plus Line 0698) (Line 6 above)	X X X			
0701.	X X X			
0702.	X X X			
0703.	X X X			
0798. Summary of remaining write-ins for Line 7 from overflow page	X X X			
0799. Totals (Line 0701 through Line 0703 plus Line 0798) (Line 7 above)	X X X			
1401.				
1402.				
1403.				
1498. Summary of remaining write-ins for Line 14 from overflow page				
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)				
2901.				
2902.				
2903.				
2998. Summary of remaining write-ins for Line 29 from overflow page				
2999. Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)				

STATEMENT OF REVENUE AND EXPENSES (continued)

CAPITAL AND SURPLUS ACCOUNT	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
33. Capital and surplus prior reporting year	125,082,038	121,434,817	121,434,817
34. Net income or (loss) from Line 32	14,441,962	13,593,701	17,009,735
35. Change in valuation basis of aggregate policy and claims reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$	(2,710,272)	692,066	430,124
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	(1,949,843)	1,029,149	1,207,362
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		(15,000,000)	(15,000,000)
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Line 34 to Line 47)	9,781,847	314,916	3,647,221
49. Capital and surplus end of reporting period (Line 33 plus Line 48)	134,863,885	121,749,733	125,082,038
DETAILS OF WRITE-INS			
4701.			
4702.			
4703.			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. Totals (Line 4701 through Line 4703 plus Line 4798) (Line 47 above)			

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	347,956,489	296,937,640	616,355,249
2. Net investment income	2,005,169	1,316,676	2,550,515
3. Miscellaneous income			
4. Total (Line 1 through Line 3)	349,961,658	298,254,316	618,905,764
5. Benefit and loss related payments	285,239,531	233,766,827	477,913,242
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	62,669,010	57,283,460	106,343,045
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)			
10. Total (Line 5 through Line 9)	347,908,541	291,050,287	584,256,287
11. Net cash from operations (Line 4 minus Line 10)	2,053,117	7,204,029	34,649,477
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	24,839,827	14,033,558	32,026,946
12.2 Stocks		316,489	742,525
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	10,044	(722)	(375)
12.7 Miscellaneous proceeds	1,501,107		22,378
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	26,350,979	14,349,325	32,791,474
13. Cost of investments acquired (long-term only):			
13.1 Bonds	27,760,900	34,367,467	57,038,123
13.2 Stocks	886,142	1,086,056	2,216,199
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets	97,420	19,540	331,328
13.6 Miscellaneous applications			(283)
13.7 Total investments acquired (Line 13.1 through Line 13.6)	28,744,461	35,473,063	59,585,367
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)	(2,393,483)	(21,123,738)	(26,793,893)
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		15,000,000	15,000,000
16.6 Other cash provided (applied)	(1,200,253)	(2,430,689)	(1,983,814)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,200,253)	(17,430,689)	(16,983,814)
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)	(1,540,618)	(31,350,398)	(9,128,230)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	61,796,030	70,924,259	70,924,260
19.2 End of period (Line 18 plus Line 19.1)	60,255,412	39,573,861	61,796,030

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

20.0001			
20.0002			
20.0003			
20.0004			
20.0005			
20.0006			
20.0007			
20.0008			
20.0009			
20.0010			

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital and Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefits Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Other
		2 Individual	3 Group							
Total Members at end of:										
1. Prior Year	3,558,642								3,558,642	
2. First Quarter	3,817,729								3,817,729	
3. Second Quarter	3,802,227								3,802,227	
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	22,911,916								22,911,916	
Total Member Ambulatory Encounters for Period:										
7. Physician										
8. Non-Physician										
9. Total										
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Health Premiums Written (a)	467,451,005								467,451,005	
13. Life Premiums Direct										
14. Property/Casualty Premiums Written										
15. Health Premiums Earned										
16. Property/Casualty Premiums Earned										
17. Amount Paid for Provision of Health Care Services	389,442,866								389,442,866	
18. Amount Incurred for Provision of Health Care Services	388,316,883								388,316,883	

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

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
Individually listed claims unpaid						
0199999 - Individually listed claims unpaid	31,076,762	2,790,476	1,296,261	663,737	433,399	36,260,635
0499999 - Subtotals	31,076,762	2,790,476	1,296,261	663,737	433,399	36,260,635
0799999 - Total claims unpaid						36,260,635
0899999 - Accrued medical incentive pool and bonus amounts						1,466,129

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	6
	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	Claims Incurred in Prior Years (Columns 1 plus 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)						
2. Medicare Supplement						
3. Dental only						
4. Vision only						
5. Federal Employees Health Benefits Plan						
6. Title XVIII - Medicare						
7. Title XIX - Medicaid	27,365,373	254,627,665	37,100	25,168,193	27,402,473	26,256,022
8. Other health						
9. Health subtotal (Line 1 to Line 8)	27,365,373	254,627,665	37,100	25,168,193	27,402,473	26,256,022
10. Health care receivables (a)						
11. Other non-health						
12. Medical incentive pools and bonus amounts	2,246,492		341,129	1,125,000	2,587,621	2,587,621
13. Totals (Line 9 minus Line 10 plus Line 11 plus Line 12)	29,611,865	254,627,665	378,229	26,293,193	29,990,094	28,843,643

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

NOTES TO FINANCIAL STATEMENTS**1. Summary of Significant Accounting Policies****A) Accounting Practices**

MCNA Insurance Company ("Company") prepares its financial statements in accordance with accounting and reporting practices prescribed by the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, which was adopted by the Texas Department of Insurance, and constitutes what is referred to as the Statutory Basis of Accounting. Such accounting and reporting is significantly different than generally accepted accounting principles (GAAP) in the United States; and therefore, the accompanying financial statements do not intend to present financial position, results of operations, and cash flows in accordance with GAAP.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Texas is shown below:

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2018</u>	<u>2017</u>
<u>NET INCOME</u>					
(1) MCNA Insurance Company state basis	_____	_____	_____	\$ 14,441,962	\$ 17,009,735
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: None	_____	_____	_____	_____	_____
(3) State Permitted Practices that increase/(decrease) NAIC SAP: None	_____	_____	_____	_____	_____
(4) NAIC SAP (1-2-3=4)	_____	_____	_____	\$ 14,441,962	\$ 17,009,735
<u>SURPLUS</u>					
(5) MCNA Insurance Company state basis	_____	_____	_____	\$ 134,863,885	\$ 125,082,037
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: None	_____	_____	_____	_____	_____
(7) State Permitted Practices that increase/(decrease) NAIC SAP: None	_____	_____	_____	_____	_____
(8) NAIC SAP (5-6-7=8)	_____	_____	_____	\$ 134,863,885	\$ 125,082,037

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions concerning dental costs, investment valuation and other factors that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the statement of admitted assets, liabilities, capital and surplus, and the revenues and expenses for the six months ended June 30, 2018. Such estimates are based on historical experience and other assumptions that are considered appropriate in the circumstances. However, actual results could differ from those estimates and these differences may be material.

NOTES TO FINANCIAL STATEMENTS

C) Accounting Policies

Based on the Company's contracts with various Medicaid agencies, capitation fees are recorded as revenue except for those deemed to be advances under the terms of the contract. Advance premiums are reflected as unearned and recognized as revenue when earned. For the six months ended June 30, 2018, the Company recorded net capitation fees of \$370,483,141, inclusive of reinsurance experience refund.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments consist of liquid investments, with maturity dates of one year or less at the time of acquisition and are stated at fair market value.
- (2) Bonds are stated at fair market value.
- (3) The Company does not have any investments in common stocks.
- (4) Preferred stocks are stated at fair market value.
- (5) The Company does not have any investments in mortgage loans on real estate.
- (6) The Company does not have any investments in loan-backed securities.
- (7) The Company does not have any investments in subsidiaries, controlled and affiliated entities.
- (8) The Company does not have any investments in joint ventures, partnerships, and limited liability companies.
- (9) The Company does not have any investments in derivatives.
- (10) The Company does not utilize anticipated investment income as a factor in the premium deficiency calculation.
- (11) The Company records the cost of services provided by the dentists and specialists in its network based on actual fee-for-service claims submitted, plus an estimate for the cost of services incurred but not reported. For the six months ended June 30, 2018, the Company's cost for dental services was \$388,316,883 before amounts ceded to reinsurer of \$106,249,574.

At Year end, the Company's estimate for the cost of dental services incurred but not reported is computed by an independent actuary using standard actuarial methodologies. While management believes the amounts for such liabilities are adequate, these liabilities are based on assumptions and estimates with the ultimate liability being in excess of or less than the amount provided.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company does not have any pharmaceutical rebates receivable.

NOTES TO FINANCIAL STATEMENTS

D) Going Concern – Not applicable

2. Accounting Changes and Correction of Errors

This note is not applicable to the Company.

3. Business Combinations and Goodwill

This note is not applicable to the Company.

4. Discontinued Operations

This note is not applicable to the Company.

5. Investments

A. The Company does not have any Mortgage loans, including Mezzanine Real Estate Loans.

B. The Company does not have any Debt Restructuring.

C. The Company does not have any Reverse Mortgages.

D. The Company does not have any Loan-Backed Securities.

E. The Company does not have any Repurchase Agreements and/or Securities Lending Transactions.

F. The Company does not own any Repurchase Agreements Transactions Accounted for as Secured Borrowing.

G. The Company does not own any Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing.

H. The Company does not own any Repurchase Agreements Transactions Accounted for as a Sale.

I. The Company does not own any Reverse Repurchase Agreements Transactions Accounted for as a Sale.

J. The Company does not own any Real Estate.

K. The Company does not have any investments in low-income housing tax credits (LIHTC).

L. Restricted Assets

The Company normally maintains US Treasury Notes in the amount of \$2,397,184, held by the Texas Treasury Safekeeping Trust, for the restricted benefit of the Commissioner of Insurance for the State of Texas. This amount is included in total admitted assets and comprises 1.21% of total admitted assets.

NOTES TO FINANCIAL STATEMENTS

The company maintains approximately \$300,000 restricted assets as listed below.

(1) Restricted Assets (Including Pledged)

		1	2	3	4	5	6	7
	Restricted Asset Category	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nondmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (a)	Admitted Restricted in Total Admitted Assets (b)
a.	Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b.	Collateral held under security ledging agreements	-	-	-	-	-	-	-
c.	Subject to repurchase agreements	-	-	-	-	-	-	-
d.	Subject to reverse repurchase agreements	-	-	-	-	-	-	-
e.	Subject to dollar repurchase agreements	-	-	-	-	-	-	-
f.	Subject to dollar reserve repurchase agreements	-	-	-	-	-	-	-
g.	Placed under option contracts	-	-	-	-	-	-	-
h.	restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-
i.	FHLB capital stock							
j.	On deposit with states	2,397,184	2,400,000	(2,816)	-	2,397,184	1.2%	1.2%
k.	On deposit with other regulatory bodies	-	-	-	-	-		
l.	Pledged as collateral to FHLB (including assets backing funding agreements)							
m.	Pledged as collateral not captured in other categories	-	-	-	-	-		
n.	Other restricted assets	300,187	300,281	(94)	-	300,187	0.1%	0.2%
o.	Total Restricted Assets	\$ 2,697,371	\$ 2,700,281	\$ (2,910)	\$ -	\$ 2,697,371	1.3%	1.4%
	(a) Column 1 divided by Asset Page, Column 1, Line 28							
	(b) Column 5 divided by Asset Page, Column 3, Line 28							

NOTES TO FINANCIAL STATEMENTS

(2) This note is not applicable to the Company.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics. Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

	1	2	3	4	5	6
Description of Assets	Total Gross Restricted from Current Year	Total Gross Restricted From Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Admitted Restricted	Percentage Gross Restricted to Total Assets	Percentage Admitted Restricted to Total Admitted Assets
Certificate of Deposit for Arkansas	\$ 100,000	\$ 100,000	-	\$ 100,000	0.049%	0.050%
U.S. Treasury Notes for Nevada	\$ 200,187	\$ 200,281	(94)	\$ 200,187	0.099%	0.101%
	-	-	-	-		
Total	\$ 300,187	\$ 300,281	\$ (94)	\$ 300,187	0.148%	0.151%

(4) This note is not applicable to the Company

M. The Company does not have working capital finance investments.

N. The Company does not have any Offsetting and Netting Assets and Liabilities

O. The Company does not have any Structured Notes.

P. The Company does not have any 5* Securities.

Q. The Company does not have any Short Sales.

R. The Company does not have any Prepayment Penalty and Acceleration Fees.

6. Joint Ventures, Partnerships and Limited Liability Companies

This note is not applicable to the Company.

7. Investment Income

A. All investment income due and accrued with amounts that are over 90 days past due are excluded (nonadmitted) from surplus.

B. The Company did not exclude any investment income.

8. Derivative Instruments

This note is not applicable to the Company.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

The Company is a wholly-owned subsidiary of MCNA Health Care Holdings, LLC. Qualified S Corporation Subsidiary (Q Sub) elections have been filed for the Company and its affiliates, and accepted by Internal Revenue Service. Accordingly, the Company and its affiliates Managed Care of North America, Inc. and MCNA Systems Corp, which are considered disregarded entities for Federal income tax purposes, will file a consolidated return with their common parent. Under provisions of Subchapter S of the Internal Revenue Code, in lieu of corporate income tax expense or benefit, the stockholder(s) of an S Corporation report their proportionate share of the Company's taxable income or loss. Additionally, an S Corporation is normally not subject to state taxes or state filing requirements. Therefore, no provision or liability for federal or state income tax expense nor any deferred tax benefit or liability is included in the statutory financial statements. No elections have been made regarding admitting deferred tax assets nor has there been any deferred income tax effect on the Company's capital and surplus.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. The Company is affiliated with Managed Care of North America, Inc. through their common parent MCNA Health Care Holdings, LLC.
- B. The Company has approved management services agreements with parent MCNA Health Care Holdings, LLC. The Company also entered into dental administrative services agreements with its affiliate, Managed Care of North America, Inc., for third-party administration as well as other delegated services, based upon requirements of each line of business.
- C. During the six months ended June 30, 2018, the Company paid approximately \$7,000,000 in fees to its parent under the aforementioned management services agreement, based on a percentage of revenue.

For the six months ended June 30, 2018, the Company paid approximately \$30,900,000, net of allocations, for dental administrative service fees to its affiliate, based on per-member per-month (PMPM) charges.

There were no changes in terms to previously existing agreements from that used in the preceding period. Separate agreements will cover services required for the Company's most recent lines of business.

- D. As of June 30, 2018, we had a balance due from related parties of approximately \$1,240,000, which was for payment of various operating expenses advanced through the reporting period.
- E. The Company has no guarantees or undertakings, written or otherwise.
- F. The Company's only related-party agreements are those that are discussed above in Section B and C of this note.
- G. All outstanding shares of the Company are owned by its parent, MCNA Health Care Holdings LLC, which is domiciled in the State of Florida.
- H. The Company has no investment in any upstream entity, either directly or indirectly.

NOTES TO FINANCIAL STATEMENTS

- I. The Company has no investments in Subsidiary, Controlled or Affiliated (SCA) entities.
- J. The Company has no investments in any SCA entity, impaired or otherwise.
- K. The Company has no investments in a foreign insurance subsidiary.
- L. The Company has no investments in a downstream non-insurance holding company.
- M. The Company has no investments in Subsidiary, Controlled or Affiliated (SCA) entities.
- N. The Company has no investments in an insurance SCA.

11. Debt

This note is not applicable to the Company.

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

- A. The Company does not have a defined benefit plan.
- B. This note is not applicable to the Company.
- C. This note is not applicable to the Company.
- D. This note is not applicable to the Company.
- E. The Company's employees participate in a 401(k) "safe harbor" plan ("the Plan") established during 2012 and sponsored by the parent company (MCNA Health Care Holdings, LLC). Eligible employees are permitted to defer compensation up to IRS limitations based on their age at the end of each plan year. The Plan offers a "safe harbor" matching contribution equal to the minimum of the sum of 100% of the first 3% of annual compensation plus an additional 50% of the next 2% based on amount of compensation the employee contributes to the Plan. The Company has expensed an estimated \$8,000 associated with the anticipated matching portion of the Plan for year ending December 31, 2018.
- F. The Company does not have multiemployer plans.
- G. See Note 12E above.
- H. The Company's post employment benefits for compensated absences are immaterial.
- I. Not applicable to the Company.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 1,000,000 common shares authorized and 700,000 shares issued and outstanding with capital stock of \$2,000,000.
- (2) The Company has no preferred shares outstanding.

NOTES TO FINANCIAL STATEMENTS

- (3) Pursuant to Texas Insurance Code Section 403.001, the Company may not pay a dividend except from surplus profits arising from the business.
- (4) The Company has made no distributions in the quarter ended June 30, 2018.
- (5) The Company may make distributions to its parent to pay income taxes, if any, arising out of pass-through income. Distributions in excess of those necessary for taxes require approval of reinsurer and Holding Company (Parent) lender.
- (6) There are no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) Not applicable.
- (8) There are no amounts of stock held for special purposes.
- (9) Not applicable.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses was approximately \$3,000,000 for unrealized losses as of June 30, 2018.
- (11) The Company has no surplus notes.
- (12) Not applicable.
- (13) Not applicable.

14. Liabilities, Contingencies, and Assessments

- A. The Company has no material contingent liabilities.
- B. The Company has not been advised of any assessments other than that described in 14 F below.
- C. The Company has no gain contingencies. See 14 F below
- D. The Company has no extra contractual obligations or bad faith losses stemming from lawsuits.
- E. The Company has no joint and several liabilities.
- F. In addition to the Company's dependency on its major State Medicaid contracts, it is a regulated entity under Texas, Louisiana, Iowa, Idaho, Nebraska, and Arkansas Insurance Codes, where we currently operate, and as such is subject to, among other things, changes in initiatives to increase healthcare regulations and restrict insurance pricing and the application of underwriting standards.

Data gathering and audit testing are complete for the Agency's SFY 2015 year review. Final report findings are currently pending. The Agency's OIG is in process of collecting and reviewing data for the period SFY 2017 through Q2 2018. There is no material pending or threatened legal action against the Company. The likelihood or outcome of current or future suits cannot be accurately predicted. In addition, the potential for increased liability for

NOTES TO FINANCIAL STATEMENTS

negligence arising from claim adjudication, along with increased litigation that has accompanied negative publicity and public perception of the industry, adds to this uncertainty. Although there are no assets considered to be impaired, such legal actions or government audits and investigations could have an adverse effect on the Company's financial position, results of operations or cash flows.

15. Leases**A. Lessee Operating Lease**

(1) The Company has non-cancelable leases for office facilities in San Antonio, Texas; Metairie, Louisiana; Lincoln, Nebraska; and Little Rock, Arkansas that provide for base monthly rent with annual increases plus pro-rata share of common area maintenance through April 2022 for the San Antonio, Lincoln, and Little Rock leases and through 2019 for the Metairie lease. Rent expense for the six months ended June 30, 2018, and June 30, 2017 was approximately \$465,000, and \$396,000 respectively.

(2) At January 1, 2019, the minimum aggregate rental commitments under these leases are as follows:

Years Ending December 31,	Operating Leases
2019	910,848
2020	871,063
2021	895,863
2022	346,405
2023	-
	<u>\$ 3,024,179</u>

B. The Company has no lessor arrangements.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash deposits in excess of the Federal Deposit Insurance Corporation's insured limit of \$250,000. The Company generally limits exposure by placing deposits with several quality financial institutions. However, at June 30, 2018 such cash balances exceeded insured amounts of cash at the Company's primary banks and investment accounts by approximately \$55,300,000 and \$5,000,000, respectively.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

This note is not applicable to the Company.

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

This note is not applicable to the Company.

NOTES TO FINANCIAL STATEMENTS

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

This note is not applicable to the Company.

20. Fair Value Measurements

Generally accepted accounting principles require that certain assets and liabilities be measured at fair market value while allowing the option to carry certain other assets and liabilities that were not previously measured at fair value at their previous carrying value. In this connection, fair value measurements establish a hierarchy to prioritize the computation of fair value. Such hierarchy consists of a) - valuations based on quoted prices in active markets for identical assets or liabilities (Level 1), b) - valuations based on observable quoted prices for similar assets and liabilities in active markets (Level 2), and c) - valuations based on inputs that are unobservable and are supported by little or no market activity, therefore, requiring management's best estimate of what market participants would use as fair value (Level 3). The Company valued all its investments at June 30, 2018 as Level 1.

NOTES TO FINANCIAL STATEMENTS

A.

(1) Fair Value at Reporting Date

(2) The Company had no Level 3 investments. The Company had no transfers into or out of Level 3 during the six months ended June 30, 2018.

(3) The Company had no Level 2 or Level 3 investments.

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(5) Total
a. Assets at Fair Value				
Perpetual Preferred Stock				
Industrial and Misc	2,583,271	-	-	2,583,271
Parent, Subsidiaries & Affiliates	-	-	-	-
Total Perpetual Preferred Stock	2,583,271	-	-	2,583,271
Bonds				
U. S. Government	31,511,941	-	-	31,511,941
Industrial and Misc	75,190,529	-	-	75,190,529
Hybrid Securities	-	-	-	-
Parent, Subsidiaries & Affiliates	-	-	-	-
Total Bonds	106,702,470	-	-	106,702,470
Common Stock				
Industrial and Misc	-	-	-	-
Parent, Subsidiaries & Affiliates	-	-	-	-
Total Common Stock	-	-	-	-
Derivative assets				
Interest rate contracts	-	-	-	-
Foreign exchange contracts	-	-	-	-
Credit contracts	-	-	-	-
Commodity futures contracts	-	-	-	-
Commodity forward contracts	-	-	-	-
Total Derivatives	-	-	-	-
Separate account assets	-	-	-	-
Total Assets at Fair Value	109,285,741	-	-	109,285,741
b. Liabilities at Fair Value				
Derivative liabilities				
Derivative liabilities	-	-	-	-
Total Derivatives	-	-	-	-
Total Liabilities at Fair Value	-	-	-	-

(4) The Company had no derivative assets and liabilities during the six months ended June 30, 2018.

NOTES TO FINANCIAL STATEMENTS

B. Not required.

C. Fair Value Level

Type of Financial Investment	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 106,702,470	\$ 106,702,470	\$ 106,702,470	-	-	-
Common Stock	-	-	-	-	-	-
Perpetual Preferred Stock	2,583,271	2,583,271	2,583,271	-	-	-
Mortgage Loans	-	-	-	-	-	-

D. This note is not applicable to the Company

21. Other Items

- A. The Company has no unusual or infrequent items report.
- B. The Company has no troubled debt restructuring.
- C. Other Disclosures – none
- D. The Company has not had any business interruption insurance recoveries.
- E. The Company has not been involved in state transferable tax credits.
- F. The Company has not had any subprime-mortgage-related risk exposure.
- G. The Company has no retained assets.
- H. The Company has no Insurance-Linked Securities (ILS).

22. Events SubsequentType I – Recognized Subsequent Events:

Subsequent events have been considered through August 09, 2018 for the statutory statement issued on August 10, 2018.

There were no Type I subsequent events.

Type II – Non-recognized Subsequent Events:

Subsequent events have been considered through August 09, 2018 for the statutory statement issued on August 10, 2018.

There were no Type II subsequent events

NOTES TO FINANCIAL STATEMENTS

		Current Year	Prior Year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	Yes (X) No ()	
B.	ACA fee assessment payable for the upcoming year	\$ 15,689,618	\$ -
C.	ACA fee assessment paid	\$ -	\$ -
D.	Premium written subject to ACA 9010 assessment	\$ 816,810,206	\$ -
E.	Total Adjusted Capital before surplus adjustment	\$ 134,863,885	
	(Five-Year Historical Line 14)		
F.	Total Adjusted Capital after surplus adjustment	\$ 119,174,267	
	(Five-Year Historical Line 14 minus 22B above)		
G.	Authorized Control Level	\$ -	
	(Five-Year Historical Line 15)		
H.	Would reporting the ACA assessment as of December 31, 2016, have triggered an RBC action level (YES/NO)?	Yes () No (X)	

23. Reinsurance

In February 2012, the Company signed a Risk Premium Reinsurance Agreement with a reinsurance company (“the Reinsurer”). The agreement indemnifies the Company for an agreed upon quota share of dental insurance risk assumed by the Reinsurer under the terms and conditions as set forth in its contracts. During the six months ended June 30, 2018, the Company ceded to the reinsurer premiums of \$124,251,051 and claims costs of \$106,249,574. After its experience refund, the Company incurred and paid \$793,498 of net reinsurance expense.

A. Ceded Reinsurance Report**Section 1 – General Interrogatories**

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

If yes, give full details.

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

NOTES TO FINANCIAL STATEMENTS

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

Not Applicable

- (2) Have any new agreements been executed or existing agreements amended, since January 1st of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

B. Not applicable to the Company.

C. Not applicable to the Company.

D. Not applicable to the Company.

NOTES TO FINANCIAL STATEMENTS

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

In connection with the Company's contract with HHSC, it is obligated to pay an Experience Rebate if net income before taxes is greater than a graduated percentage of total revenues for any state fiscal year period. Pre-tax net income to revenues less than 3% is maintained 100% by the Company, with each increasing percentage lowering the Company's share and increasing HHSC share, up to 12%. All pre-tax net income above 12% is rebated 100% to the agency. As of June 30, 2018, the Company has calculated a total estimated experience rebate liability of approximately \$1,975,000 with expected payment by December 31, 2018.

- A. Not applicable to the Company.
- B. Not applicable to the Company.
- C. Not applicable to the Company.
- D. Not applicable to the Company.
- E. See Note 14 F and Note 22.

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. Net incurred claims reserve was \$26,256,022 as of December 31, 2017. During the six months ended June 30, 2018, \$27,365,373 has been paid for incurred claims and claim adjustment expenses attributable to prior years. Reserves remaining for prior years are now \$37,100 as a result of re-estimation of unpaid claims and claim adjustment expenses. There have been no additional premiums or return premiums accrued as a result of prior year effects. Accordingly, there was \$1,146,451 of unfavorable prior-year's reserves applied during 2018. Original estimates are adjusted as additional information becomes known regarding individual claims and the market in which the Company operates.
- B. The Company had no significant changes in methodologies or assumptions.

26. Intercompany Pooling Arrangements

The Company is not part of a group of affiliated insurers that utilizes a pooling arrangement.

27. Structured Settlements

This note is not applicable to the Company.

28. Health Care Receivables

This note is not applicable to the Company.

29. Participating Policies

The Company did not have any participating policies.

NOTES TO FINANCIAL STATEMENTS

30. Premium Deficiency Reserves

This Company did not have any premium deficiency reserves.

31. Anticipated Salvage and Subrogation

There is no salvage or subrogation to disclose.

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 ()
- 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 the 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. 12/31/2015
- 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. 12/31/2015
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 01/04/2017
- 6.4 By what department or departments?
.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes () No () N/A (X)
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes () No () N/A (X)
- 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 by 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 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
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- 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 (X) No ()
 10.2 If yes, indicate the amounts receivable from parent included in the Page 2 amount: \$ 709

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 (X)
 11.2 If yes, give full and complete information relating thereto:

.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
 13. Amount of real estate and mortgages held in short-term investments: \$

- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes () No (X)

- 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	\$	\$
14.22 Preferred Stock	\$	\$
14.23 Common Stock	\$	\$
14.24 Short-Term Investments	\$	\$
14.25 Mortgage Loans on Real Estate	\$	\$
14.26 All Other	\$	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Line 14.21 to Line 14.26)	\$	\$
14.28 Total Investment in Parent included in Line 14.21 to Line 14.26 above	\$	\$

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes () No (X)

- 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 \$
 16.2 Total book adusted /carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$
 16.3 Total payable for securities lending reported on the liability page \$

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 (X) 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
RBC Advisors Services	200 Vessey Street, New York, NY 10281
Morgan Stanley	100 North Tampa Street, Suite 3000, Tampa, FL 33602
Merrill Lynch	2049 Century Park E 11/12 FL, Century City, CA 90067

- 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 (X)

- 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
Gables Capital Management, Inc	U
Morgan Stanley	U
Merrill Lynch	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 (X) 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 (X) No ()

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
--	------------------------------------	---------------------------------------	----------------------	---

109608	Gables Capital Management, Inc
.....	Morgan Stanley
.....	Merrill Lynch

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**PART 2 - HEALTH INTERROGATORIES**

-
1. Operating Percentages:
- 1.1 A&H loss percent 75.8 %
- 1.2 A&H cost containment percent %
- 1.3 A&H expense percent excluding cost containment expenses 20.1 %
- 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. \$.....
- 2.3 Do you act as an administrator for health savings accounts? Yes () No (X)
- 2.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....
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 (X)

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Effective Date	4 Name of Reinsurer	5 Domiciliary Jurisdiction	6 Type of Reinsurance Ceded	7 Type of Reinsurer	8 Certified Reinsurer Rating (1 through 6)	9 Effective Date of Certified Reinsurer Rating
Life & Annuity - Affiliates	AA-3160036	03/01/2012	RGA REINS CO (BARBADOS) LTD	BRB	QA/A/I			
0199998 - Life & Annuity - Affiliates								
0299998 - Life & Annuity - Non-Affiliates								
0399998 - Accident & Health - Affiliates								
0499998 - Accident & Health - Non-Affiliates								
0599998 - Property/Casualty - Affiliates								
0699998 - Property/Casualty - Non-Affiliates								

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status (a)	Direct Business Only							
		2 Accident & Health Premiums	3 Medicare Title XVIII	4 Medicaid Title XIX	5 Federal Employees Health Benefits Program Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
1. Alabama	AL	L							
2. Alaska	AK	N							
3. Arizona	AZ	N							
4. Arkansas	AR	L		34,102,760			34,102,760		
5. California	CA	L							
6. Colorado	CO	N							
7. Connecticut	CT	N							
8. Delaware	DE	N							
9. District of Columbia	DC	N							
10. Florida	FL	N							
11. Georgia	GA	N							
12. Hawaii	HI	N							
13. Idaho	ID	L		26,054,658			26,054,658		
14. Illinois	IL	L							
15. Indiana	IN	N							
16. Iowa	IA	L		9,784,777			9,784,777		
17. Kansas	KS	N							
18. Kentucky	KY	N							
19. Louisiana	LA	L		86,571,418			86,571,418		
20. Maine	ME	N							
21. Maryland	MD	N							
22. Massachusetts	MA	N							
23. Michigan	MI	L							
24. Minnesota	MN	N							
25. Mississippi	MS	N							
26. Missouri	MO	L							
27. Montana	MT	N							
28. Nebraska	NE	L		27,695,792			27,695,792		
29. Nevada	NV	L							
30. New Hampshire	NH	N							
31. New Jersey	NJ	N							
32. New Mexico	NM	N							
33. New York	NY	N							
34. North Carolina	NC	N							
35. North Dakota	ND	N							
36. Ohio	OH	N							
37. Oklahoma	OK	L							
38. Oregon	OR	N							
39. Pennsylvania	PA	N							
40. Rhode Island	RI	N							
41. South Carolina	SC	N							
42. South Dakota	SD	N							
43. Tennessee	TN	N							
44. Texas	TX	L		293,316,808			293,316,808		
45. Utah	UT	L							
46. Vermont	VT	N							
47. Virginia	VA	N							
48. Washington	WA	L							
49. West Virginia	WV	N							
50. Wisconsin	WI	L							
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U. S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate Other Alien	OT	X X X							
59. Subtotal		X X X		477,526,213			477,526,213		
60. Reporting entity contributions for Employee Benefit Plans		X X X							
61. Total (Direct Business)		X X X		477,526,213			477,526,213		
DETAILS OF WRITE-INS									
58001.		X X X							
58002.		X X X							
58003.		X X X							
58998. Summary of remaining write-ins for Line 58 from overflow page		X X X							
58999. Total (Line 58001 through Line 58003 plus Line 58998) (Line 58 above)		X X X							

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state
 N - None of the above - Not allowed to write business in the state

16 R - Registered - Non-domiciled RRGs
 41 Q - Qualified - Qualified or accredited reinsurer

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

PART 1 - ORGANIZATIONAL CHART

MCNA Health Care Holdings, LLC
Holding Company System

MCNA Health Care Holdings, LLC

45-2542951

MCNA Insurance Company

14063 TX
52-2459969

**Managed Care of North
America, Inc.**

52014 FL
65-0303864

MCNA Systems, Corp.

45-3641822

Other Affiliates

**200 West Cypress Creek
LLC**

47-4939777

Sagax Technologies Limited

33-75511BH

Sierra Dental Plan, Inc.

82-3922528

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)	*
4730	MCNA Group		45-2542951				MCNA Health Care Holdings, LLC	FL	UDP	Jeffrey Feingold, DDS	Ownership	100.000	Jeffrey Feingold, DDS	N	
	MCNA Group		45-3641822				MCNA Systems Corp	FL	DS	MCNA Health Care Holdings, LLC	Ownership	100.000	Jeffrey Feingold, DDS	N	
4730	MCNA Group	52014	65-0303864				Managed Care of North America, Inc	FL	DS	MCNA Health Care Holdings, LLC	Ownership	100.000	Jeffrey Feingold, DDS	N	
4730	MCNA Group	14063	52-2459969				MCNA INS CO	TX	RE	MCNA Health Care Holdings, LLC	Ownership	100.000	Jeffrey Feingold, DDS	N	

Asterisk	Explanation
----------	-------------

NONE

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:

Bar Code:

Document Identifier 365:



SCHEDULE A - VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after ac		
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/ac		
7. Deduct current year's other-than-temporal		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1-2+3+4+5+6+7+8+9)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

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		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after a		
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 mort		
9. Total foreign exchange change in book val		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6+7+8+9+10)		
12. Total Valuation Allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

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		
2. Cost of acquired:		
2.1. Actual cost at time of acquisition		
2.2. Additional investment made after a		
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 depr		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6+7+8+9+10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

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	108,889,190	82,753,269
2. Cost of bonds and stocks acquired	28,642,666	59,254,321
3. Accrual of discount	21,392	35,796
4. Unrealized valuation increase (decrease)	(2,720,316)	406,573
5. Total gain (loss) on disposals	(399,960)	(172,590)
6. Deduct consideration for bonds and stocks disposed of	24,839,827	32,769,472
7. Deduct amortization of premium	311,780	618,707
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	4,375	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6+7+8+9+10)	109,285,740	108,889,190
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	109,285,740	108,889,190

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)	76,804,990	14,977,757	17,471,183	(1,109,714)	76,804,990	73,201,850		73,894,685
2. NAIC 2 (a)	35,712,986	10,905,355	3,465,910	124,908	35,712,986	43,277,340		33,396,703
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	112,517,976	25,883,112	20,937,092	(984,806)	112,517,976	116,479,190		107,291,388
PREFERRED STOCK								
8. NAIC 1	496,634	500,030		(8,729)	496,634	987,936		659,778
9. NAIC 2	1,386,211	179,850		29,276	1,386,211	1,595,337		1,093,270
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock	1,882,845	679,880		20,547	1,882,845	2,583,272		1,753,048
15. Total Bonds & Preferred Stock	114,400,821	26,562,992	20,937,092	(964,259)	114,400,821	119,062,462		109,044,436

(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 \$ 9,776,721 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	6,778,131	X X X	6,766,460	1,647	806

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book / adjusted carrying value, December 31 of prior year	155,244	1,689,323
2. Cost of short-term investments acquired	8,849,227	798,903
3. Accrual of discount	18,433	9,302
4. Unrealized valuation increase (decrease)	(909)	712
5. Total gain (loss) on disposals	(605)	(1,088)
6. Deduct consideration received on disposals	2,243,063	2,331,492
7. Deduct amortization of premium	197	10,417
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 (Line 1 + Line 2 + Line 3 + Line 4 + Line 5 - Line 6 - Line 7 + Line 8 - Line 9)	6,778,131	155,244
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	6,778,131	155,244

Page SI04

Schedule DB, Part A, Verification

NONE

Schedule DB, Part B, Verification

NONE

Page SI05

Schedule DB, Pt. C, Section 1, Replicated (Synthetic Assets) Open

NONE

Page SI06

Sch DB, Pt C, Sn 2, Replication (Syn Assets) Transactions Open

NONE

Page SI07

Schedule DB, Verification

NONE

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,649,030	.....
2. Cost of cash equivalents acquired	47,671,286	100,026,587
3. Accrual of discount	2,112	8,089
4. Unrealized valuation increase (decrease)	138	.....
5. Total gain (loss) on disposals	(132)	(185)
6. Deduct consideration received on disposals	43,872,180	98,385,462
7. Deduct amortization of premium .....	.....	.....
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)	5,450,255	1,649,030
11. Deduct total nonadmitted amounts .....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11)	5,450,255	1,649,030

Page E01

Sch. A, Pt. 2, Real Estate Acquired
NONE

Sch. A, Pt. 3, Real Estate Disposed
NONE

Page E02

Schedule B, Part 2, Mortgage Loans Acquired
NONE

Schedule B, Part 3, Mortgage Loans Disposed
NONE

Page E03

Sch. BA, Pt. 2, Other Long-Term Invested Assets Acquired
NONE

Sch. BA, Pt. 3, Other Long-Term Invested Assets Disposed
NONE

STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U. S. Governments									
912828-4J-6	UNITED STATES TREASURY		06/01/2018	Unknown		2,397,000	2,400,000.00	2,788	1
0599999	- Subtotal - Bonds - U. S. Governments					2,397,000	2,400,000.00	2,788	
Bonds - U. S. Political Subdivisions of States, Territories and Possessions									
802385-LF-9	SANTA MONICA CALIF CMNTY COLLEGE DIST		05/15/2018	Unknown		269,933	250,000.00	4,978	1FE
2499999	- Subtotal - Bonds - U. S. Political Subdivisions of States, Territories and Possessions					269,933	250,000.00	4,978	
Bonds - U. S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions									
30711X-NS-9	CAS 17C05 1M1 - CMO		05/16/2018	Morgan Stanley		355,360	355,262.57	555	1
3199999	- Subtotal - Bonds - U. S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions					355,360	355,262.57	555	
Bonds - Industrial and Miscellaneous (Unaffiliated)									
03027X-AD-2	AMERICAN TOWER CORP		06/21/2018	Unknown		678,424	650,000.00	11,736	2FE
05464H-AC-4	AXIS SPECIALTY FINANCE PLC	C	04/05/2018	Unknown		243,015	250,000.00	3,333	2FE
05580M-50-4	B. RILEY FINANCIAL INC		05/16/2018	Unknown		187,545	187,500.00	Z	
06051G-FM-6	BANK OF AMERICA CORP		05/30/2018	Unknown		249,287	250,000.00	3,583	2FE
09062X-AE-3	BIOGEN INC		05/02/2018	Unknown		251,463	250,000.00	1,234	2FE
11134L-AF-6	BROADCOM CORP		05/30/2018	Unknown		195,969	200,000.00	2,739	2FE
118230-AH-4	BUCKEYE PARTNERS LP		04/05/2018	Unknown		1,031,801	1,000,000.00	8,250	2FE
120568-AT-7	BUNGE LIMITED FINANCE CORP		04/23/2018	Unknown		371,358	350,000.00	10,743	2FE
12574Q-20-2	CM FINANCE INC		06/28/2018	Unknown		500,030	500,000.00	Z	
134429-BF-5	CAMPBELL SOUP CO		06/21/2018	Unknown		482,530	500,000.00	5,267	2FE
14149Y-AT-5	CARDINAL HEALTH INC		04/06/2018	Unknown		312,087	300,000.00	4,394	2FE
26884A-AY-9	ERP OPERATING LP		04/19/2018	Morgan Stanley		186,219	180,000.00	3,040	1FE
294429-AN-5	EQUIFAX INC		06/14/2018	Unknown		499,515	500,000.00	1,262	2FE
3137G0-UC-1	STACR 18HQA1 M1 - CMO		05/16/2018	Morgan Stanley		561,880	561,068.76	931	1FE
34540T-TE-2	FORD MOTOR CREDIT COMPANY LLC		06/20/2018	Unknown		499,515	500,000.00	Z	2FE
40429C-GD-8	HSBC FINANCE CORP	C	04/01/2018	Unknown		(250,540)	(220,000.00)	(5,181)	1FE
413086-AH-2	HARMAN INTERNATIONAL INDUSTRIES INC	C	05/23/2018	Unknown		200,837	200,000.00	184	2FE
42824C-AW-9	HEWLETT PACKARD ENTERPRISE CO		06/25/2018	Unknown		511,265	500,000.00	5,240	2FE
444859-BD-3	HUMANA INC		05/11/2018	Unknown		495,825	500,000.00	2,353	2FE
459745-GH-2	INTERNATIONAL LEASE FINANCE CORP	C	04/05/2018	Unknown		1,035,004	1,000,000.00	25,000	2FE
50575Q-11-0	LADENBURG THALMANN FINANCIAL SERVICES IN		05/23/2018	Unknown		167,530	167,500.00	Z	
552081-AK-7	LYONDELLBASELL INDUSTRIES NV	C	06/22/2018	Unknown		542,450	500,000.00	5,590	2FE
57385L-AA-6	MARVELL TECHNOLOGY GROUP LTD	C	06/29/2018	Unknown		503,755	500,000.00	642	2FE
61945C-AF-0	MOSAIC CO		04/05/2018	Unknown		492,523	500,000.00	6,455	2FE
67072T-AA-6	NUVEEN FLOATING RATE INCOME FD		04/27/2018	Unknown		194,825	195,000.00	256	1FE
681936-BJ-8	OMEGA HEALTHCARE INVESTORS INC		06/15/2018	Unknown		498,985	500,000.00	8,325	2FE
74267C-AC-0	PROASSURANCE CORP		06/26/2018	Unknown		530,445	500,000.00	3,092	2FE
832696-AQ-1	J M SMUCKER CO		04/03/2018	Morgan Stanley		281,748	285,000.00	2,055	2FE
86933F-70-1	SUTHERLAND ASSET MANAGEMENT CORP		04/26/2018	VARIOUS		300,030	300,000.00	Z	
89114Q-C2-2	TORONTO-DOMINION BANK		06/05/2018	Morgan Stanley		264,000	264,000.00		1FE
896239-AB-6	TRIMBLE INC		06/29/2018	Unknown		714,695	710,000.00	1,473	2FE
98956P-AK-8	ZIMMER HOLDINGS INC		05/11/2018	Morgan Stanley		282,860	285,000.00	941	2FE
3899999	- Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					13,016,875	12,865,068.76	112,937	

E04

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

STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - Hybrid Securities									
40429C-GD-8	HSBC FINANCE CORP	C	04/01/2018	Unknown		250,540	220,000.00	5,181	1FE
4899999	Subtotal - Bonds - Hybrid Securities								
						250,540	220,000.00	5,181	
8399997	Subtotal - Bonds - Part 3								
						16,289,708	16,090,331.33	126,439	
8399999	Subtotal - Bonds								
						16,289,708	16,090,331.33	126,439	
Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)									
674001-30-0	OAKTREE CAPITAL GROUP LLC		06/01/2018	Unknown	5,000.000	125,015			RP2LFE
74274W-10-3	PRIORITY INCOME FUND INC		06/28/2018	Unknown	20,000.000	500,030			RPUZ
929042-82-8	VORNADO REALTY TRUST		05/24/2018	Unknown	2,500.000	54,835			P2LFE
8499999	Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated)								
						679,880			
8999997	Subtotal - Preferred Stocks - Part 3								
						679,880			
8999999	Subtotal - Preferred Stocks								
						679,880			
9899999	Subtotal - Preferred and Common Stocks								
						679,880			
9999999	TOTALS								
						16,969,588		126,439	

STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22	
										11	12	13	14	15								
CUSIP Identification	Description	Foreign	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. Governments																						
38379H-VW-2	GNR 14180D EP - CMO/RMBS		06/01/2018	Paydown		147,684	147,684.34	147,177		3			3		147,180		504	504	317	04/20/2043	1	
0599999 - Subtotal - Bonds - U.S. Governments																						
						147,684	147,684.34	147,177		3			3		147,180		504	504	317			
Bonds - U.S. States, Territories and Possessions																						
20772J-XA-5	CONNECTICUT ST		04/06/2018	Unknown		387,985	400,000.00	402,159	390,968	11,120	(89)		11,031		402,000		(14,015)	(14,015)	7,146	09/01/2023	1FE	
1799999 - Subtotal - Bonds - U.S. States, Territories and Possessions																						
						387,985	400,000.00	402,159	390,968	11,120	(89)		11,031		402,000		(14,015)	(14,015)	7,146			
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																						
020366-FF-2	ALMONT MICH CMNTY SCHS		05/01/2018	Maturity @ 100.00		135,000	135,000.00	147,245	136,003	(46)	(957)		(1,003)		135,000				2,700	05/01/2018	1FE	
242595-RW-8	DEARBORN MICH SCH DIST		05/01/2018	Maturity @ 100.00		100,000	100,000.00	107,250	100,467	105	(572)		(467)		100,000				1,500	05/01/2018	Z	
364195-BN-6	GALVESTON CNTY TEX		06/15/2018	Unknown		509,830	500,000.00	522,015			(9,101)		(9,101)		512,914		(3,084)	(3,084)	27,319	02/01/2029	1FE	
897404-PW-3	TROY MICH CITY SCH DIST		05/01/2018	Maturity @ 100.00		150,000	150,000.00	168,035	151,253	161	(1,414)		(1,253)		150,000				3,000	05/01/2018	1FE	
2499999 - Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions																						
						894,830	885,000.00	944,545	387,723	220	(12,044)		(11,824)		897,914		(3,084)	(3,084)	34,519			
Bonds - U.S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																						
271371-WQ-5	EAST CAROLINA UNIV N C UNIV REV		06/15/2018	Unknown		500,500	500,000.00	523,065	506,520	3,146	(2,517)		629		507,149		(6,649)	(6,649)	10,708	10/01/2019	1FE	
30711X-AE-4	CAS 14C02A 1M1 - CMO		06/25/2018	Paydown		55,257	55,257.20	55,378	55,453	(103)	(38)		(141)		55,312		(55)	(55)	520	05/25/2024	1	
30711X-C2-8	CAS 18C02 2M1 - CMO		06/25/2018	Paydown		49,042	49,042.12	49,042							49,042				147	08/25/2030	1	
30711X-CZ-5	CAS 16C04 1M1 - CMO		06/25/2018	Paydown		17,202	17,201.80	17,395	17,369	(87)	(60)		(147)		17,222		(20)	(20)	189	01/25/2029	1	
30711X-DP-6	CAS 16C06 1M1 - CMO		06/25/2018	Paydown		41,262	41,261.78	41,647	41,734	(307)	(64)		(371)		41,375		(113)	(113)	271	04/25/2029	1	
30711X-EK-6	CAS 17C01 1M1 - CMO		06/25/2018	Paydown		9,908	9,907.51	9,953	10,009	(76)	(11)		(87)		9,923		(16)	(16)	(55)	07/25/2029	1	
30711X-NS-9	CAS 17C05 1M1 - CMO		06/25/2018	Paydown		58,303	58,303.34	58,312	25,494	(32)	2		(30)		58,314		(11)	(11)	233	01/25/2030	1	
3128MJ-YT-1	FH G08721 - RMBS		06/01/2018	Paydown		15,090	15,090.36	15,600	15,111	455	(7)		448		15,560		(469)	(469)	153	09/01/2046	1	
3132WL-RX-6	FH Q46801 - RMBS		06/01/2018	Paydown		24,853	24,853.11	26,305	26,034	182	(38)		144		26,178		(1,325)	(1,325)	336	03/01/2047	1	
3133EC-MF-8	FEDERAL FARM CREDIT BANKS FUNDING COR		04/24/2018	Maturity @ 100.00		125,000	125,000.00	124,813	124,780	192	28		220		125,000				613	04/24/2018	1	
3135G0-XG-3	FEDERAL NATIONAL MORTGAGE ASSOCIATION		05/21/2018	Maturity @ 100.00		32,000	32,000.00	31,760	31,931	32	36		68		32,000				160	05/21/2018	1	
3136A0-Y2-7	FNR 1189B BA - CMO/RMBS		06/01/2018	Paydown		4,640	4,639.79	4,668	4,652	13	(3)		10		4,662			(22)	(22)	40	11/25/2025	1
3136A2-5W-9	FNR 11141B CA - CMO/RMBS		06/01/2018	Paydown		19,942	19,941.67	20,113	19,775	289	(11)		278		20,053		(111)	(111)	140	12/25/2025	1	
3137AG-BH-2	FHR 3945B BJ - CMO/RMBS		06/01/2018	Paydown		18,283	18,282.92	18,491	18,115	323	(11)		312		18,428		(145)	(145)	124	03/15/2026	1	
3138L7-HD-1	FN AM6527 - RMBS		06/01/2018	Paydown		2,585	2,584.97	2,638	2,586	17	(4)		13		2,599		(14)	(14)	20	08/01/2019	1	
3138WE-RN-1	FN AS4992 - RMBS		06/01/2018	Paydown		7,933	7,933.13	8,290	8,172	101	(2)		99		8,272		(339)	(339)	89	05/01/2045	1	
3138WF-2Y-1	FN AS6190 - RMBS		06/01/2018	Paydown		20,805	20,804.98	21,662	21,432	177	(4)		173		21,605		(800)	(800)	242	11/01/2045	1	
3138WF-2Z-8	FN AS6191 - RMBS		06/01/2018	Paydown		19,546	19,545.56	20,365	20,135	180	(4)		176		20,311		(765)	(765)	232	11/01/2045	1	
3138WJ-AA-0	FN AS8126 - RMBS		06/01/2018	Paydown		23,249	23,249.01	24,010	23,919	79	(13)		66		23,985		(736)	(736)	272	10/01/2046	1	
3138YJ-4G-8	FN AY5322 - RMBS		06/01/2018	Paydown		21,166	21,166.30	21,521	21,207	272	(6)		266		21,473		(307)	(307)	169	04/01/2030	1	
3138YW-KG-1	FN AZ4794 - RMBS		06/01/2018	Paydown		7,920	7,919.99	8,228	8,084	104	(5)		99		8,183		(263)	(263)	78	10/01/2030	1	
31397N-MA-0	FNR 0911G DK - CMO/RMBS		05/25/2018	Paydown		4,345	4,345.23	4,269	4,360	(72)	57		(15)		4,345				105	12/25/2018	1	
31398G-ZS-1	FNR 1012B AC - CMO/RMBS		06/01/2018	Paydown		4,013	4,013.21	3,975	4,008	(25)	10		(15)		3,993		20	20	47	12/25/2018	1	
31398N-LS-1	FNR 10106B BD - CMO/RMBS		06/01/2018	Paydown		4,301	4,300.70	4,326	4,312	(11)	(1)		(12)		4,300		1	1	38	09/25/2020	1	
31398Q-HB-6	FHMS K007 A2 - CMBS		06/01/2018	Paydown		1,424	1,423.96	1,561	1,475	17	(11)		6		1,481		(57)	(57)	20	03/25/2020	1	
31418B-ZF-6	FN MA2541 - RMBS		06/01/2018	Paydown		14,937	14,937.14	15,281	14,921	313	(7)		306		15,228		(291)	(291)	128	02/01/2031	1	
31418C-GE-8	FN MA2896 - RMBS		06/01/2018	Paydown		14,326	14,326.12	14,664	14,717	(70)	(7)		(77)		14,640		(314)	(314)	166	02/01/2047	1	
34074G-DH-4	FLORIDA HURRICANE CATASTROPHE FD FIN		06/15/2018	Unknown		399,185	400,000.00	411,739	405,236	1,528	(1,227)		301		405,537		(6,352)	(6,352)	11,547	07/01/2020	1FE	
341271-AC-8	FLORIDA ST BRD ADMIN FIN CORP REV		06/15/2018	Unknown		491,235	500,000.00	514,450	504,685	5,166	(1,267)		3,899		508,584		(17,349)	(17,349)	12,714	07/01/2021	1FE	
57583U-5P-9	MASSACHUSETTS ST DEV FIN AGY REV		06/14/2018	Unknown		491,680	500,000.00	505,370	499,460	3,385	(517)		2,868		502,328		(10,648)	(10,648)	11,644	07/01/2020	1FE	
59261E-AJ-8	METROPOLITAN TRANSN AUTH N Y SPL OBLI		06/29/2018	Unknown		97,998	100,000.00	101,929	101,836	(317)	(299)		(616)		101,220		(3,222)	(3,222)	1,442	07/01/2023	1FE	
781824-BV-8	RUSH CNTY IND ELEM SCHS BLDG CORP		05/03/2018	Unknown		151,785	150,000.00	158,648	156,693	452	(456)		(4)		156,689		(4,904)	(4,904)	3,588	01/15/2023	1FE	
917328-SQ-0	UTAH ASSD MUN PWR SYS REV		06/29/2018	Unknown		289,924	300,000.00	299,637	296,928	2,710	16		2,726		299,654		(10,730)	(10,730)	5,414	09/01/2025	1FE	
917572-XA-2	UTAH WTR FIN AGY REV		06/29/2018	Unknown		196,685	200,000.00	201,995	198,736	3,016	(268)		2,748		201,484		(4,799)	(4,799)	3,930	03/01/2021	1FE	

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

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STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	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 and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions (continued)																					
988211-BP-2	YUBA CALIF LEVEE FING AUTH REV		06/29/2018	Unknown		149,345	150,000.00	151,289	154,179	(3,065)	(112)		(3,177)		151,002		(1,658)	(1,658)	3,976	09/01/2022	1FE
3199999 - Subtotal - Bonds - U. S. Special Revenue and Special Assessment and All Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						3,384,669	3,417,331.90	3,492,389	3,364,058	17,984	(6,821)		11,163		3,457,131		(72,463)	(72,463)	69,440		
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
02587C-GB-0	American Express Bank, FSB		06/14/2018	Unknown		240,750	250,000.00	249,890	249,883	14	10		24		249,907		(9,157)	(9,157)	4,636	09/06/2022	2FE
02587D-F3-7	American Express National Bank		06/14/2018	Unknown		244,750	250,000.00	250,000	253,156	(3,156)			(3,156)		250,000		(5,250)	(5,250)	3,545	10/28/2020	1FE
02587D-L6-3	American Express Centurion Bank		04/23/2018	Unknown		245,684	250,000.00	250,000	253,373	(3,373)			(3,373)		250,000		(4,316)	(4,316)	4,710	12/30/2020	2FE
02587D-Y8-5	American Express National Bank		06/14/2018	Unknown		240,750	250,000.00	249,890	249,883	14	10		24		249,907		(9,157)	(9,157)	4,636	09/06/2022	1FE
031162-BW-9	AMGEN INC		06/13/2018	Unknown		490,885	500,000.00	499,936	497,340	2,629	6		2,635		499,975		(9,090)	(9,090)	6,611	05/01/2020	2FE
03523T-AN-8	ANHEUSER-BUSCH INBEV NV	C	04/23/2018	VARIOUS		521,875	500,000.00	556,604	530,405	(1,814)	(4,248)		(6,062)		524,343		(6,843)	(6,843)	25,128	01/15/2020	2FE
038222-AH-8	APPLIED MATERIALS INC		06/14/2018	Unknown		74,269	75,000.00	75,263	74,822	(669)	(25)		(694)		75,128		(859)	(859)	1,389	10/01/2020	1FE
05531F-AN-3	BB&T CORP		05/15/2018	Call @ 100.00		100,000	100,000.00	101,000	100,052	96	(148)		(52)		100,000				831	06/19/2018	1FE
05580A-CZ-5	BMW Bank of North America	C	06/13/2018	Unknown		245,735	250,000.00	250,000	253,209	(3,209)			(3,209)		250,000		(4,265)	(4,265)	3,873	09/30/2020	1FE
09062X-AC-7	BIOGEN INC		06/14/2018	Unknown		496,555	500,000.00	511,130	506,810	2,557	(1,528)		1,029		507,838		(11,283)	(11,283)	10,875	09/15/2020	2FE
166764-AE-0	CHEVRON CORP		06/24/2018	Maturity @ 100.00		125,000	125,000.00	125,437	125,000	64	(64)				125,000				1,074	06/24/2018	1FE
166764-AG-5	CHEVRON CORP		06/13/2018	Unknown		495,565	500,000.00	506,575	502,445	919	(623)		296		502,741		(7,176)	(7,176)	5,764	06/24/2020	1FE
19416Q-DZ-0	COLGATE-PALMOLIVE CO		06/14/2018	Unknown		486,600	500,000.00	505,000	496,705	7,727	(445)		7,282		503,987		(17,387)	(17,387)	7,092	05/03/2022	1FE
22546Q-AF-4	CREDIT SUISSE (NEW YORK BRANCH)	C	06/13/2018	Unknown		511,735	500,000.00	552,235	523,915	1,468	(4,335)		(2,867)		521,048		(9,313)	(9,313)	18,837	08/05/2020	1FE
24422E-SY-6	JOHN DEERE CAPITAL CORP		06/14/2018	Unknown		493,015	500,000.00	505,185	501,050	1,699	(483)		1,216		502,266		(9,251)	(9,251)	10,918	07/14/2020	1FE
30231G-AJ-1	EXXON MOBIL CORP		06/13/2018	Unknown		486,830	500,000.00	511,250	499,200	8,933	(883)		8,050		507,250		(20,420)	(20,420)	9,288	03/06/2022	1FE
3137G0-UC-1	STACR 18HQA1 M1 - CMO		06/25/2018	Paydown		8,249	8,248.77	8,261			2		2		8,263		(14)	(14)	9	09/25/2030	1FE
34387A-AX-7	Flushing Bank		06/13/2018	Unknown		247,735	250,000.00	250,000	252,506	(2,506)			(2,506)		250,000		(2,265)	(2,265)	2,479	10/31/2019	Z
375558-AY-9	GILEAD SCIENCES INC		06/13/2018	Unknown		494,515	500,000.00	505,230	502,340	192	(543)				501,989		(7,474)	(7,474)	10,249	02/01/2020	1FE
40429C-GD-8	HSBC FINANCE CORP	C	04/01/2018	Adjustment		(247,823)	(220,000.00)	(250,540)							(245,407)		(2,416)	(2,416)	(7,221)	01/15/2021	1FE
406216-AZ-4	HALLIBURTON CO		06/14/2018	Unknown		249,538	250,000.00	260,078	254,653	2,481	(861)		1,620		256,273		(6,735)	(6,735)	4,740	11/15/2021	2FE
45866F-AC-8	INTERCONTINENTAL EXCHANGE INC		06/13/2018	Unknown		297,435	300,000.00	304,448	303,627	(850)	(431)		(1,281)		302,346		(4,911)	(4,911)	4,446	12/01/2020	1FE
48126Y-PU-1	JPMorgan Chase Bank, National Associa		06/14/2018	Unknown		478,720	500,000.00	500,030	500,000	29	(2)		27		500,027		(21,307)	(21,307)	5,726	11/17/2023	1FE
487836-BD-9	KELLOGG CO		06/15/2018	Unknown		407,345	400,000.00	424,824	418,944	(3,923)	(2,229)		(6,152)		412,792		(5,447)	(5,447)	8,000	12/15/2020	2FE
539830-BG-3	LOCKHEED MARTIN CORP		06/13/2018	Unknown		245,683	250,000.00	254,058	251,480	(2,228)	(341)		(341)		253,717		(8,034)	(8,034)	7,104	01/15/2023	2FE
58013M-EJ-9	MCDONALDS CORP		06/13/2018	Unknown		504,735	500,000.00	525,679	514,840	(1,429)	(2,347)		(3,776)		511,064		(6,329)	(6,329)	16,042	07/15/2020	2FE
585055-BA-3	MEDTRONIC INC	C	04/01/2018	Maturity @ 100.00		75,000	75,000.00	73,025	74,923	(33)	110		77		75,000				516	04/01/2018	1FE
585055-BG-0	MEDTRONIC INC	C	06/13/2018	Unknown		248,137	250,000.00	252,328	251,480	(346)	(574)		(574)		250,906		(2,768)	(2,768)	4,688	03/15/2020	1FE
594918-AS-3	MICROSOFT CORP		05/01/2018	Maturity @ 100.00		100,000	100,000.00	99,598	99,834	115	51		166		100,000				500	05/01/2018	1FE
674599-CC-7	OCCIDENTAL PETROLEUM CORP		06/14/2018	Unknown		198,450	200,000.00	205,814	205,042	3	(567)		(564)		204,479		(6,029)	(6,029)	5,208	02/15/2022	1FE
68389X-AC-9	ORACLE CORP		04/15/2018	Maturity @ 100.00		75,000	75,000.00	87,206	75,860	(79)	(781)		(860)		75,000				2,156	04/15/2018	1FE
69353R-EP-9	PNC BANK NA		06/13/2018	Unknown		492,007	500,000.00	496,670	499,505	(1,249)	319		(930)		498,575		(6,568)	(6,568)	6,197	06/01/2020	1FE
713448-DT-2	PEPSICO INC		06/13/2018	Unknown		482,410	500,000.00	500,195	494,815	5,362	(18)		5,344		500,159		(17,749)	(17,749)	6,969	05/02/2022	1FE
755111-BR-1	RAYTHEON CO		06/13/2018	Unknown		409,285	400,000.00	435,600	418,040	239	(3,840)		(3,601)		414,439		(5,154)	(5,154)	14,667	02/15/2020	1FE
855244-AJ-8	STARBUCKS CORP		06/13/2018	Unknown		194,815	200,000.00	204,782	198,716	4,427	(465)		3,962		202,678		(7,863)	(7,863)	3,628	02/04/2021	1FE
88579Y-AQ-4	3M CO		04/23/2018	Unknown		73,716	75,000.00	74,568	74,685	86	27		113		74,798		(1,082)	(1,082)	1,075	08/07/2020	1FE
89236T-BP-9	TOYOTA MOTOR CREDIT CORP	C	06/14/2018	Unknown		397,657	400,000.00	407,124	400,012	4,002	(1,172)		2,830		402,842		(5,185)	(5,185)	7,721	07/18/2019	1FE
91324P-CC-4	UNITEDHEALTH GROUP INC		06/13/2018	Unknown		242,935	250,000.00	258,380	252,873	3,629	(534)		3,095		255,968		(13,033)	(13,033)	5,391	03/15/2023	1FE
931142-DF-7	WAL MART STORES INC		04/11/2018	Maturity @ 100.00		120,000	120,000.00	119,871	119,970	17	13		30		120,000				675	04/11/2018	1FE
3899999 - Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						11,295,542	11,433,248.77	11,696,624	11,530,913	24,066	(26,593)		(2,527)		11,545,298		(254,130)	(254,130)	230,172		

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STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 Foreign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designa- tion or Market Indici- ator (a)												
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other- Than-Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.																			
Bonds - Hybrid Securities																																	
40429C-GD-8	HSBC FINANCE CORP	C	04/01/2018	Adjustment		247,823	220,000.00	250,540							245,407		2,416	2,416	7,221	01/15/2021	1FE												
4899999	Subtotal - Bonds - Hybrid Securities																			247,823	220,000.00	250,540			245,407		2,416	2,416	7,221				
8399997	Subtotal - Bonds - Part 4																			16,358,533	16,503,265.01	16,933,434	15,673,662	53,390	(45,544)	7,846	16,694,930		(340,772)	(340,772)	348,815		
8399999	Subtotal - Bonds																			16,358,533	16,503,265.01	16,933,434	15,673,662	53,390	(45,544)	7,846	16,694,930		(340,772)	(340,772)	348,815		
9999999	TOTALS																			16,358,533		16,933,434	15,673,662	53,390	(45,544)	7,846	16,694,930		(340,772)	(340,772)	348,815		

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Schedule DB, Part A, Section 1

NONE

Description of Hedged Risk (s)

NONE

Financial or Economic Impact of the Hedge

NONE

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Schedule DB, Part B, Section 1

NONE

Schedule DB, Part B, Section 1, Broker Name

NONE

Schedule DB, Part B, Description of Hedged Risk (s)

NONE

Schedule DB, Part B, Financial or Economic Impact of the Hedge

NONE

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Schedule DB, Part D, Section 1

NONE

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Schedule DB, Part D, Section 2, By Reporting Entity

NONE

Schedule DB, Part D, Section 2, To Reporting Entity

NONE

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Schedule DL, Part 1

NONE

Page E11

Schedule DL, Part 2

NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository		2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
						6	7	8	
Name	Location and Supplemental Information	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories									
Bank of America #5526	Houston, Texas		0.350	1,739		1,229,532	1,229,863	1,230,178	
Bank of America #0963	Houston, Texas					8,444	8,444	8,444	
BankUnited Operating #5053	Miami, Florida					238,990	573,540	150,913	
BankUnited Payroll #5576	Miami, Florida					(1,497)	(2,549)	(1,397)	
BankUnited Claims #6846	Miami, Florida					(2,952,906)	(12,948,829)	(3,933,627)	
BankUnited MM #5541	Miami, Florida					6,723,147	5,329,252	2,466,955	
BankUnited Reinsurance #2738	Miami, Florida		1.750	198,302		48,362,999	45,835,517	48,898,864	
BankUnited Operating #3443	Miami, Florida					(20,073)	(15,110)	(6,126)	
BankUnited Claims #8374	Miami, Florida					(633,160)	(720,295)	(392,858)	
BankUnited Operating #4842	Miami, Florida					(2,281)	(724)	(1,353)	
BankUnited Claims #4907	Miami, Florida					(107,509)	(430,530)	(91,153)	
BankUnited Operating #3806	Miami, Florida					(8,303)	(10,719)	(9,948)	
BankUnited Claims #3814	Miami, Florida					(219,117)	(330,710)	(254,399)	
BankUnited NE Operating #6423	Miami, Florida					(5,884)	(41,769)	(10,014)	
BankUnited NE Claims #6466	Miami, Florida					(187,106)	(238,683)	(230,517)	
BankUnited NE Holdback #7079	Miami, Florida		1.750	2,139		470,586	539,271	608,286	
BankUnited AR Operating #7213	Miami, Florida					(8,637)	(7,673)	(7,530)	
BankUnited AR Claims #1039	Miami, Florida					(622,703)	(628,431)	(400,926)	
0100001 RBC Investor Services	Miami, Florida		0.150			11,776		2,500	
Texas Trust	Austin, Texas					2,400,000			
0199998 - Deposits in	depositories that do not exceed the allowable limit in any one depository (See								
Instructions) - Open Depositories						704	721	736	
0199999 - TOTAL - Open Depositories				202,180		54,677,002	38,140,586	48,027,028	
0399999 - TOTAL Cash on Deposit				202,180		54,677,002	38,140,586	48,027,028	
0599999 - TOTALS				202,180		54,677,002	38,140,586	48,027,028	

STATEMENT AS OF JUNE 30, 2018 OF THE MCNA INSURANCE COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP Identification	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Amount Received During Year
Bonds: U.S. Government - Issuer Obligations								
	UNITED STATES TREASURY		06/19/2018		07/12/2018	2,998,590		1,548
0199999	Bonds: U.S. Government - Issuer Obligations					2,998,590		1,548
0599999	Bonds: Subtotals - U.S. Government Bonds					2,998,590		1,548
7799999	Total Bonds - Subtotals - Issuer Obligations					2,998,590		1,548
8399999	Total Bonds - Subtotals - Bonds					2,998,590		1,548
All Other Money Market Mutual Funds								
061871-90-1	BANK DEPOSIT PROGRAM		06/29/2018			1,303,058		787
123456-79-0	RBC BANK DEPOSIT PROGRAM		06/27/2018	0.100		1,145,715		48
990284-91-1	MERRILL LYNCH		06/29/2018			2,891		6
8699999	All Other Money Market Mutual Funds					2,451,664		841
8899999	Total Cash Equivalents					5,450,254		2,389