



**Form 5500**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security  
Administration

Pension Benefit Guaranty Corporation

**Annual Return/Report of Employee Benefit Plan**

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

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210 - 0110  
1210 - 0089**2016****This Form is Open to  
Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**


- A** This return/report is for: ☒ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instr.)
- B** This return/report is: ☐ a single-employer plan ☐ a DFE (specify) \_\_\_\_\_  
☐ the first return/report ☐ the final return/report  
☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here ☒
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program  
☐ special extension (enter description) \_\_\_\_\_

**Part II Basic Plan Information** - enter all requested information

<b>1a</b> Name of plan <b>INSURANCE AND BENEFITS TRUST OF THE PEACE OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA</b>	<b>1b</b> Three-digit plan number (PN) ▶ <b>501</b>
	<b>1c</b> Effective date of plan <b>06/21/1991</b>
<b>2a</b> Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <b>INSURANCE AND BENEFITS TRUST OF THE PORAC</b>  <b>4010 TRUXEL ROAD</b>  <b>SACRAMENTO CA 95834-3725</b>	<b>2b</b> Employer Identification Number (EIN) <b>68-6068469</b> <b>2c</b> Plan Sponsor's telephone number <b>8006556397</b> <b>2d</b> Business code (see instructions) <b>525100</b>

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

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

<b>SIGN HERE</b> 	<b>10-10-17</b>	<b>DAMON KURTZ</b>
Signature of plan administrator	Date	Enter name of individual signing as plan administrator
<b>SIGN HERE</b>		
Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
<b>SIGN HERE</b>		
Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)  <b>HEMMING MORSE CPAS AND CONSULTANTS 155 BOVET RD SUITE 600 SAN MATEO CA 94402</b>		Preparer's telephone number  <b>415-836-4000</b>

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

**Form 5500 (2016)  
v. 160205**

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN  <b>3c</b> Administrator's telephone number  <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
<b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	
<b>a</b> Sponsor's name	<b>4b</b> EIN  <b>4c</b> PN
<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b> 66710
<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).	
<b>a (1)</b> Total number of active participants at the beginning of the plan year .....	<b>6a(1)</b> 66710
<b>a (2)</b> Total number of active participants at the end of the plan year .....	<b>6a(2)</b> 64772
<b>b</b> Retired or separated participants receiving benefits .....	<b>6b</b>
<b>c</b> Other retired or separated participants entitled to future benefits .....	<b>6c</b>
<b>d</b> Subtotal. Add lines 6a(2), 6b, and 6c .....	<b>6d</b> 64772
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits .....	<b>6e</b>
<b>f</b> Total. Add lines 6d and 6e .....	<b>6f</b>
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....	<b>6g</b>
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested .....	<b>6h</b>
<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b> 201
<b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:	

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:  
**4B 4F 4H 4L**

<b>9a</b> Plan funding arrangement (check all that apply)	<b>9b</b> Plan benefit arrangement (check all that apply)
(1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	(1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
<b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
<b>a Pension Schedules</b>	<b>b General Schedules</b>
(1) <input type="checkbox"/> <b>R</b> (Retirement Plan Information) (2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information) (2) <input type="checkbox"/> <b>I</b> (Financial Information - Small Plan) (3) <input checked="" type="checkbox"/> <b>3 A</b> (Insurance Information) (4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information) (5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information) (6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)

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

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

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

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

**11c** Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

<b>SCHEDULE A</b> <b>(Form 5500)</b> Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	<b>Insurance Information</b> This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). <b>► File as an attachment to Form 5500.</b> ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110  <b>2016</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**

<b>A</b> Name of plan <b>INSURANCE AND BENEFITS TRUST OF THE PEACE OFFICERS</b>	<b>B</b> Three-digit plan number (PN) ►	<b>501</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>INSURANCE AND BENEFITS TRUST OF THE PORAC</b>	<b>D</b> Employer Identification Number (EIN) <b>68-6068469</b>	

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

**1** Coverage Information:

**(a)** Name of insurance carrier  
**RELIASTAR LIFE INSURANCE COMAPNY**

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
41-0451140	67105	66326-3	610	10/01/2015	09/30/2016

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
21577	48956

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid  
**MYERS-STEVENS & TOOHEY CO INC**  
**26101 MARQUERITE PKWY**  
**MISSION VIEJO CA 92692**

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	43155	ADMINISTRATION FEE	3

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid  
**MYERS-STEVENS & TOOHEY CO INC**  
**26101 MARQUERITE PKWY**  
**MISSION VIEJO CA 92692**

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
21577		WRITING AGENT	3

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

MYERS-STEVENSON & TOOHEY CO INC  
 26101 MARQUERITE PKWY  
 MISSION VIEJO CA 92692

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	5801	OVERWRITE FEE	3

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

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

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

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

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

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

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

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

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

<b>4</b>	Current value of plan's interest under this contract in the general account at year end .....	<b>4</b>	
<b>5</b>	Current value of plan's interest under this contract in separate accounts at year end .....	<b>5</b>	
<b>6</b>	Contracts With Allocated Funds:		
<b>a</b>	State the basis of premium rates ►		
<b>b</b>	Premiums paid to carrier .....	<b>6b</b>	
<b>c</b>	Premiums due but unpaid at the end of the year .....	<b>6c</b>	
<b>d</b>	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount .....	<b>6d</b>	
	Specify nature of costs ►		
<b>e</b>	Type of contract: (1) <input type="checkbox"/> individual policies (2) <input type="checkbox"/> group deferred annuity (3) <input type="checkbox"/> other (specify) ►		
<b>f</b>	If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here <input type="checkbox"/> <input type="checkbox"/>		
<b>7</b>	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
<b>a</b>	Type of contract: (1) <input type="checkbox"/> deposit administration (2) <input type="checkbox"/> immediate participation guarantee (3) <input type="checkbox"/> guaranteed investment (4) <input type="checkbox"/> other ►		
<b>b</b>	Balance at the end of the previous year .....	<b>7b</b>	
<b>c</b>	Additions: (1) Contributions deposited during the year .....	<b>7c(1)</b>	
	(2) Dividends and credits .....	<b>7c(2)</b>	
	(3) Interest credited during the year .....	<b>7c(3)</b>	
	(4) Transferred from separate account .....	<b>7c(4)</b>	
	(5) Other (specify below) .....	<b>7c(5)</b>	
	(6) Total additions .....	<b>7c(6)</b>	0
<b>d</b>	Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) .....	<b>7d</b>	
<b>e</b>	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year .....	<b>7e(1)</b>	
	(2) Administration charge made by carrier .....	<b>7e(2)</b>	
	(3) Transferred to separate account .....	<b>7e(3)</b>	
	(4) Other (specify below) .....	<b>7e(4)</b>	
	(5) Total deductions .....	<b>7e(5)</b>	0
<b>f</b>	Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) .....	<b>7f</b>	

**Part III Welfare Benefit Contract Information**

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

**8** Benefit and contract type (check all applicable boxes)

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

**9** Experience-rated contracts:

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

**10** Nonexperience-rated contracts:

<b>a</b> Total premiums or subscription charges paid to carrier .....	<b>10a</b>	672985
<b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount .....	<b>10b</b>	
Specify nature of costs <b>N/A</b>		

**Part IV Provision of Information**

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

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



<b>SCHEDULE A</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	<b>Insurance Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).  <b>► File as an attachment to Form 5500.</b>  <b>► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</b>	OMB No. 1210-0110  <div style="border: 1px solid black; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;">2016</div>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**

<b>A</b> Name of plan <b>INSURANCE AND BENEFITS TRUST OF THE PEACE OFFICERS</b>	<b>B</b> Three-digit plan number (PN) ►	<b>501</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>INSURANCE AND BENEFITS TRUST OF THE PORAC</b>	<b>D</b> Employer Identification Number (EIN) <b>68-6068469</b>	

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

**(a)** Name of insurance carrier  
**RELIASTAR LIFE INSURANCE COMAPNY OF NEW YORK**

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
41-0451140	67105	66326-3	10544	10/01/2015	09/30/2016

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

<b>(a)</b> Total amount of commissions paid	<b>(b)</b> Total amount of fees paid
60476	129862

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid  
**MEYERS-STEVENSON & TOOHEY CO INC**  
**26101 MARQUERITE PKWY**  
**MISSION VIEJO CA 92692**

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	118346	ADMINISTRATION FEE	3

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid  
**MEYERS-STEVENSON & TOOHEY CO INC**  
**26101 MARQUERITE PKWY**  
**MISSION VIEJO CA 92692**

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
60476		WRITING AGENT	3

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

MEYERS-STEVENSON & TOOHEY CO INC  
 26101 MARQUERITE PKWY  
 MISSION VIEJO CA 92692

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	11516	OVERWRITE FEE	3

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

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

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

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

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

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

<b>4</b>	Current value of plan's interest under this contract in the general account at year end .....	<b>4</b>	
<b>5</b>	Current value of plan's interest under this contract in separate accounts at year end .....	<b>5</b>	
<b>6</b>	Contracts With Allocated Funds:		
<b>a</b>	State the basis of premium rates ►		
<b>b</b>	Premiums paid to carrier .....	<b>6b</b>	
<b>c</b>	Premiums due but unpaid at the end of the year .....	<b>6c</b>	
<b>d</b>	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount .....	<b>6d</b>	
	Specify nature of costs ►		
<b>e</b>	Type of contract: (1) <input type="checkbox"/> individual policies (2) <input type="checkbox"/> group deferred annuity (3) <input type="checkbox"/> other (specify) ►		
<b>f</b>	If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here <input type="checkbox"/> <input type="checkbox"/>		
<b>7</b>	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
<b>a</b>	Type of contract: (1) <input type="checkbox"/> deposit administration (2) <input type="checkbox"/> immediate participation guarantee (3) <input type="checkbox"/> guaranteed investment (4) <input type="checkbox"/> other ►		
<b>b</b>	Balance at the end of the previous year .....	<b>7b</b>	
<b>c</b>	Additions: (1) Contributions deposited during the year .....	<b>7c(1)</b>	
	(2) Dividends and credits .....	<b>7c(2)</b>	
	(3) Interest credited during the year .....	<b>7c(3)</b>	
	(4) Transferred from separate account .....	<b>7c(4)</b>	
	(5) Other (specify below) .....	<b>7c(5)</b>	
	(6) Total additions .....	<b>7c(6)</b>	0
<b>d</b>	Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) .....	<b>7d</b>	
<b>e</b>	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year .....	<b>7e(1)</b>	
	(2) Administration charge made by carrier .....	<b>7e(2)</b>	
	(3) Transferred to separate account .....	<b>7e(3)</b>	
	(4) Other (specify below) .....	<b>7e(4)</b>	
	(5) Total deductions .....	<b>7e(5)</b>	0
<b>f</b>	Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) .....	<b>7f</b>	

**Part III Welfare Benefit Contract Information**

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

**8** Benefit and contract type (check all applicable boxes)

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

**9** Experience-rated contracts:

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

**10** Nonexperience-rated contracts:

<b>a</b> Total premiums or subscription charges paid to carrier .....	<b>10a</b>	1209231
<b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount .....	<b>10b</b>	
Specify nature of costs		

**Part IV Provision of Information**

- 11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No
- 12** If the answer to line 11 is "Yes," specify the information not provided. **▶**

<b>SCHEDULE A</b> <b>(Form 5500)</b> <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	<b>Insurance Information</b> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>► <b>File as an attachment to Form 5500.</b></p> <p>► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</p>	<small>OMB No. 1210-0110</small> <hr/> <div style="text-align: center; font-size: 1.2em;"><b>2016</b></div> <hr/> <div style="text-align: center;"><b>This Form is Open to Public Inspection</b></div>
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For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**

<b>A</b> Name of plan <b>INSURANCE AND BENEFITS TRUST OF THE PEACE OFFICERS</b>	<b>B</b> Three-digit plan number (PN) ►	<b>501</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>INSURANCE AND BENEFITS TRUST OF THE PORAC</b>	<b>D</b> Employer Identification Number (EIN) <b>68-6068469</b>	

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

**1** Coverage Information:

**(a)** Name of insurance carrier  
**STANDARD INSURANCE COMPANY**

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
93-0242990	69019	649401	19050	01/01/2016	12/31/2016

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid  
**NONE**

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

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

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

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

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

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

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

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

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

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

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

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

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

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

<b>4</b>	Current value of plan's interest under this contract in the general account at year end .....	<b>4</b>	
<b>5</b>	Current value of plan's interest under this contract in separate accounts at year end .....	<b>5</b>	
<b>6</b>	Contracts With Allocated Funds:		
<b>a</b>	State the basis of premium rates ►		
<b>b</b>	Premiums paid to carrier .....	<b>6b</b>	
<b>c</b>	Premiums due but unpaid at the end of the year .....	<b>6c</b>	
<b>d</b>	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount .....	<b>6d</b>	
	Specify nature of costs ►		
<b>e</b>	Type of contract: (1) <input type="checkbox"/> individual policies (2) <input type="checkbox"/> group deferred annuity (3) <input type="checkbox"/> other (specify) ►		
<b>f</b>	If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here <input type="checkbox"/> <input type="checkbox"/>		
<b>7</b>	Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)		
<b>a</b>	Type of contract: (1) <input type="checkbox"/> deposit administration (2) <input type="checkbox"/> immediate participation guarantee (3) <input type="checkbox"/> guaranteed investment (4) <input type="checkbox"/> other ►		
<b>b</b>	Balance at the end of the previous year .....	<b>7b</b>	
<b>c</b>	Additions: (1) Contributions deposited during the year .....	<b>7c(1)</b>	
	(2) Dividends and credits .....	<b>7c(2)</b>	
	(3) Interest credited during the year .....	<b>7c(3)</b>	
	(4) Transferred from separate account .....	<b>7c(4)</b>	
	(5) Other (specify below) .....	<b>7c(5)</b>	
	(6) Total additions .....	<b>7c(6)</b>	0
<b>d</b>	Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) .....	<b>7d</b>	
<b>e</b>	Deductions:		
	(1) Disbursed from fund to pay benefits or purchase annuities during year .....	<b>7e(1)</b>	
	(2) Administration charge made by carrier .....	<b>7e(2)</b>	
	(3) Transferred to separate account .....	<b>7e(3)</b>	
	(4) Other (specify below) .....	<b>7e(4)</b>	
	(5) Total deductions .....	<b>7e(5)</b>	0
<b>f</b>	Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) .....	<b>7f</b>	

**Part III Welfare Benefit Contract Information**

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

**8** Benefit and contract type (check all applicable boxes)

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

**9** Experience-rated contracts:

<b>a</b> Premiums: (1) Amount received .....	<b>9a(1)</b>	2585054	
(2) Increase (decrease) in amount due but unpaid .....	<b>9a(2)</b>	7950	
(3) Increase (decrease) in unearned premium reserve .....	<b>9a(3)</b>	728	
(4) Earned <b>((1) + (2) - (3))</b> .....	<b>9a(4)</b>		2592276
<b>b</b> Benefit charges: (1) Claims paid .....	<b>9b(1)</b>	1974073	
(2) Increase (decrease) in claim reserves .....	<b>9b(2)</b>	6223626	
(3) Incurred claims (add <b>(1)</b> and <b>(2)</b> ) .....	<b>9b(3)</b>		8197699
(4) Claims charged .....	<b>9b(4)</b>		
<b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions .....	<b>9c(1)(A)</b>		
(B) Administrative service or other fees .....	<b>9c(1)(B)</b>		
(C) Other specific acquisition costs .....	<b>9c(1)(C)</b>		
(D) Other expenses .....	<b>9c(1)(D)</b>	432139	
(E) Taxes .....	<b>9c(1)(E)</b>	60918	
(F) Charges for risks or other contingencies .....	<b>9c(1)(F)</b>	311074	
(G) Other retention charges .....	<b>9c(1)(G)</b>		
(H) Total retention .....	<b>9c(1)(H)</b>		804131
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)	<b>9c(2)</b>		
<b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement	<b>9d(1)</b>		
(2) Claim reserves .....	<b>9d(2)</b>		11305298
(3) Other reserves .....	<b>9d(3)</b>		
<b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line <b>9c(2)</b> .)	<b>9e</b>		

**10** Nonexperience-rated contracts:

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

**Part IV Provision of Information**

- 11** Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No
- 12** If the answer to line 11 is "Yes," specify the information not provided. **▶**



<b>SCHEDULE C (Form 5500)</b> Department of the Treasury Internal Revenue Service <hr/> Department of Labor Employee Benefits Security Administration <hr/> Pension Benefit Guaranty Corporation	<b>Service Provider Information</b> This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). <b>► File as an attachment to Form 5500.</b>	OMB No. 1210-0110 <hr/> <b>2016</b> <hr/> <b>This Form is Open to Public Inspection.</b>
For calendar plan year 2016 or fiscal plan year beginning <b>01/01/2016</b> and ending <b>12/31/2016</b>		
<b>A</b> Name of plan <b>INSURANCE AND BENEFITS TRUST OF THE PEACE OFFICERS RES</b>		<b>B</b> Three-digit plan number (PN) ► <b>501</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <b>INSURANCE AND BENEFITS TRUST OF THE PORAC</b>		<b>D</b> Employer Identification Number (EIN) <b>68-6068469</b>

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

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions) ... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

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

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

**Schedule C (Form 5500) 2016**  
v. 160205

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

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

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

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

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

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

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

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

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

**PORAC** **23-7077256**

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
50 14	PARTY IN INTEREST	677442.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**MYERS-STEVENSON TOOHEY & CO INC** **95-2637676**

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 50	NONE	466553.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**REICH ADELL & CVITAN** **94-1205338**

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29 50	NONE	127483.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

**THE SEGAL COMPANY**

**94-1050399**

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	67233.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	4557.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

**HEMMING MORSE**

**30-0702322**

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	21900.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**ROBERT FEINGLASS**

**80-0231345**

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
29 50	NONE	18191.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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

**DAMON KURTZ**

**68-6068469**

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
20 50	TRUSTEE	8514.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**HALBERT HARGROVE**

**33-0804608**

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
27 51	NONE	8511.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

**WILLIAM DANIELS**

**68-6068469**

<b>(b)</b> Service Code(s)	<b>(c)</b> Relationship to employer, employee organization, or person known to be a party-in-interest	<b>(d)</b> Enter direct compensation paid by the plan. If none, enter -0-.	<b>(e)</b> Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	<b>(f)</b> Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	<b>(g)</b> Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	<b>(h)</b> Did the service provider give you a formula instead of an amount or estimated amount?
20 50	TRUSTEE	5034.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

**Part I Service Provider Information (continued)**

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
THE SEGAL COMPANY	53	4557.

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
SEGAL SELECT INSURANCE SERVI      46-0619194	INSURANCE BROKERAGE COMMISSIONS

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

<b>SCHEDULE H</b> <b>(Form 5500)</b>  Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Financial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).  <b>► File as an attachment to Form 5500.</b>	OMB No. 1210-0110  <b>2016</b>  <b>This Form is Open to Public Inspection</b>
--	--	---

For calendar plan year 2016 or fiscal plan year beginning <b>01/01/2016</b> and ending <b>12/31/2016</b>		
<b>A</b> Name of plan  <b>INSURANCE AND BENEFITS TRUST OF THE PEACE OFFICERS R</b>	<b>B</b> Three-digit plan number (PN) ►	<b>501</b>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500  <b>INSURANCE AND BENEFITS TRUST OF THE PORAC</b>	<b>D</b> Employer Identification Number (EIN)  <b>68-6068469</b>	

<b>Part I Asset and Liability Statement</b>			
<b>1</b> Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	36069	30656
<b>b</b> Receivables (less allowance for doubtful accounts):			
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>		
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>	564370	751000
<b>(3)</b> Other <b>SEE STATEMENT 1</b> .....	<b>1b(3)</b>	1214655	1458884
<b>c</b> General investments:			
<b>(1)</b> Interest-bearing cash (incl. money market accounts & certificates of deposit) ...	<b>1c(1)</b>	69258	1313934
<b>(2)</b> U.S. Government securities .....	<b>1c(2)</b>		99509
<b>(3)</b> Corporate debt instruments (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>		
<b>(B)</b> All other .....	<b>1c(3)(B)</b>	982301	745961
<b>(4)</b> Corporate stocks (other than employer securities):			
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>		
<b>(B)</b> Common .....	<b>1c(4)(B)</b>	277321	462
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>		
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>		
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>		
<b>(8)</b> Participant loans .....	<b>1c(8)</b>		
<b>(9)</b> Value of interest in common/collective trusts .....	<b>1c(9)</b>		
<b>(10)</b> Value of interest in pooled separate accounts .....	<b>1c(10)</b>		
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>		
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>		
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....	<b>1c(13)</b>	2426946	1124106
<b>(14)</b> Value of funds held in insurance co. general account (unallocated contracts) ...	<b>1c(14)</b>		
<b>(15)</b> Other <b>SEE STATEMENT 2</b> .....	<b>1c(15)</b>	71221	437875

		(a) Beginning of Year	(b) End of Year
<b>1 d</b>	Employer-related investments:		
(1)	Employer securities .....	<b>1d(1)</b>	
(2)	Employer real property .....	<b>1d(2)</b>	
<b>e</b>	Buildings and other property used in plan operation .....	<b>1e</b>	6368 4188
<b>f</b>	Total assets (add all amounts in lines 1a through 1e) .....	<b>1f</b>	5648509 5966575
<b>Liabilities</b>			
<b>g</b>	Benefit claims payable .....	<b>1g</b>	2172000 1520000
<b>h</b>	Operating payables .....	<b>1h</b>	107589 178879
<b>i</b>	Acquisition indebtedness .....	<b>1i</b>	
<b>j</b>	Other liabilities <b>SEE STATEMENT 3</b> .....	<b>1j</b>	1216330 1189439
<b>k</b>	Total liabilities (add all amounts in lines 1g through 1j) .....	<b>1k</b>	3495919 2888318
<b>Net Assets</b>			
<b>l</b>	Net assets (subtract line 1k from line 1f) .....	<b>1l</b>	2152590 3078257

**Part II Income and Expense Statement**

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

		(a) Amount	(b) Total
<b>Income</b>			
<b>a</b>	<b>Contributions:</b>		
(1)	Received or receivable in cash from: <b>(A)</b> Employers .....	<b>2a(1)(A)</b>	
	<b>(B)</b> Participants .....	<b>2a(1)(B)</b>	5629300
	<b>(C)</b> Others (including rollovers) .....	<b>2a(1)(C)</b>	
(2)	Noncash contributions .....	<b>2a(2)</b>	
(3)	Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> .....	<b>2a(3)</b>	5629300
<b>b</b>	<b>Earnings on investments:</b>		
(1)	Interest:		
	<b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....	<b>2b(1)(A)</b>	
	<b>(B)</b> U.S. Government securities .....	<b>2b(1)(B)</b>	
	<b>(C)</b> Corporate debt instruments .....	<b>2b(1)(C)</b>	51162
	<b>(D)</b> Loans (other than to participants) .....	<b>2b(1)(D)</b>	
	<b>(E)</b> Participant loans .....	<b>2b(1)(E)</b>	
	<b>(F)</b> Other .....	<b>2b(1)(F)</b>	2173
	<b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....	<b>2b(1)(G)</b>	53335
(2)	Dividends: <b>(A)</b> Preferred stock .....	<b>2b(2)(A)</b>	
	<b>(B)</b> Common stock .....	<b>2b(2)(B)</b>	4197
	<b>(C)</b> Registered investment company shares (e.g. mutual funds) .....	<b>2b(2)(C)</b>	55146
	<b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....	<b>2b(2)(D)</b>	59343
(3)	Rents .....	<b>2b(3)</b>	
(4)	Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds ...	<b>2b(4)(A)</b>	
	<b>(B)</b> Aggregate carrying amount (see instructions) .....	<b>2b(4)(B)</b>	
	<b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ...	<b>2b(4)(C)</b>	
(5)	Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate ...	<b>2b(5)(A)</b>	
	<b>(B)</b> Other .....	<b>2b(5)(B)</b>	24786
	<b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....	<b>2b(5)(C)</b>	24786



	(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts .....	2b(6)	
(7) Net investment gain (loss) from pooled separate accounts .....	2b(7)	
(8) Net investment gain (loss) from master trust investment accounts .....	2b(8)	
(9) Net investment gain (loss) from 103-12 investment entities .....	2b(9)	
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) .....	2b(10)	68736
c Other income <b>SEE STATEMENT 4</b> .....	2c	2536643
d Total income. Add all <b>income</b> amounts in column (b) and enter total .....	2d	8372143

**Expenses**

e Benefit payment and payments to provide benefits:		
(1) Directly to participants or beneficiaries, including direct rollovers .....	2e(1)	2936757
(2) To insurance carriers for the provision of benefits .....	2e(2)	2981100
(3) Other .....	2e(3)	
(4) Total benefit payments. Add lines 2e(1) through (3) .....	2e(4)	5917857
f Corrective distributions (see instructions) .....	2f	
g Certain deemed distributions of participant loans (see instructions) .....	2g	
h Interest expense .....	2h	
i Administrative expenses: (1) Professional fees .....	2i(1)	235519
(2) Contract administrator fees .....	2i(2)	1143995
(3) Investment advisory and management fees .....	2i(3)	8511
(4) Other <b>SEE STATEMENT 5</b> .....	2i(4)	140594
(5) Total administrative expenses. Add lines 2i(1) through (4) .....	2i(5)	1528619
j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total .....	2j	7446476

**Net Income and Reconciliation**

k Net income (loss). Subtract line 2j from line 2d .....	2k	925667
l Transfers of assets:		
(1) To this plan .....	2l(1)	
(2) From this plan .....	2l(2)	

**Part III Accountant's Opinion**

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

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

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

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

(1) Name: **HEMMING MORSE CPAS AND CONSULTANTS** (2) EIN: **30-0702322**

**d** The opinion of an independent qualified public accountant is **not attached** because:

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

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5.  
103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) .....			
<b>4a</b>		X	
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) .....			
<b>4b</b>		X	

	Yes	No	Amount
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>e</b> Was this plan covered by a fidelity bond?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>l</b> Has the plan failed to provide any benefit when due under the plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
<b>o</b> Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>5a</b> Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Amount:</span>			
<b>5b</b> If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
<b>5b(1)</b> Name of plan(s)	<b>5b(2)</b> EIN(s)	<b>5b(3)</b> PN(s)	
<b>5c</b> If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? <span style="float: right;"><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not determined</span> If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year <span style="float: right;">. (See instr.)</span>			

**Part V Trust Information**

<b>6a</b> Name of trust	<b>6b</b> Trust's EIN
<b>6c</b> Name of trustee or custodian	<b>6d</b> Trustee's or custodian's telephone number

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SCHEDULE H	OTHER RECEIVABLES	STATEMENT	1
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DESCRIPTION	BEGINNING	ENDING
OTHER RECEIVABLES	1214655.	1458884.
TOTAL TO SCHEDULE H, LINE 1B(3)	1214655.	1458884.

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SCHEDULE H	OTHER GENERAL INVESTMENTS	STATEMENT	2
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DESCRIPTION	BEGINNING	ENDING
OTHER GENERAL INVESTMENTS	71221.	437875.
TOTAL TO SCHEDULE H, LINE 1C(15)	71221.	437875.

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SCHEDULE H	OTHER PLAN LIABILITIES	STATEMENT	3
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DESCRIPTION	BEGINNING	ENDING
OTHER LIABILITIES	1216330.	1189439.
TOTAL TO SCHEDULE H, LINE 1J	1216330.	1189439.

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SCHEDULE H	OTHER INCOME	STATEMENT	4
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DESCRIPTION	AMOUNT
OTHER INCOME	2536643.
TOTAL TO SCHEDULE H, LINE 2C	2536643.

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SCHEDULE H	OTHER ADMINISTRATIVE EXPENSES	STATEMENT	5
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DESCRIPTIONAMOUNT

OTHER ADMINISTRATIVE EXPENSES

140594.

TOTAL TO SCHEDULE H, LINE 2I(4)

140594.

**INSURANCE AND BENEFITS TRUST OF THE  
PEACE OFFICERS RESEARCH ASSOCIATION  
OF CALIFORNIA**

**FINANCIAL STATEMENTS**

**December 31, 2016 and 2015**

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
FINANCIAL STATEMENTS  
December 31, 2016 and 2015**

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HEMMING  
MORSE, LLP

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Insurance and Benefits Trust of the  
Peace Officers Research Association  
of California

### Report on the Financial Statements

We have audited the accompanying financial statements of Insurance and Benefits Trust of the Peace Officers Research Association of California (the "Trust"), which comprise the statements of net assets available for benefits and of benefit obligations as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits and of changes in benefit obligations for the years then ended supplemental schedule as indicated in the table of contents and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



HEMMING  
MORSE, LLP

CERTIFIED PUBLIC ACCOUNTANTS,  
FORENSIC AND FINANCIAL CONSULTANTS

Board of Trustees  
Insurance and Benefits Trust of the  
Peace Officers Research Association  
of California  
(Continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial status of Insurance and Benefits Trust of the Peace Officers Research Association of California as of December 31, 2016 and 2015, and the changes in its financial status for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Report on Supplemental Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of Assets Held for Investment as of December 31, 2016, referred to as "supplemental information," are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Trust's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

San Francisco, California  
October 6, 2017

*Hemming Morse LLP*



	2016			2015
	Safety Plan	Non-Safety Plan	Total	
<b>Investments (Notes 2C and 3):</b>				
Short term investment funds	\$ 1,313,935	\$ 107,296	\$ 1,421,231	\$ 74,080
Government securities	99,509	8,126	107,635	-
Common stock	462	38	500	302,595
Corporate bonds	745,961	60,916	806,877	1,056,975
Mutual funds	1,124,106	91,795	1,215,901	2,611,445
Other- Exchange traded funds	437,874	35,757	473,631	76,635
	<u>3,721,847</u>	<u>303,928</u>	<u>4,025,775</u>	<u>4,121,730</u>
<b>Receivables:</b>				
Net estimated recoverable claims receivable	1,315,968	60,136	1,376,104	1,100,000
Participant contributions	751,000	25,224	776,224	583,677
Administrative fee receivable	89,487	-	89,487	97,089
Due from Safety (Note 7)	-	7,558	7,558	142,211
Due from Non-Safety (Note 7)	10,651	-	10,651	39,792
Investment income receivable	7,519	-	7,519	-
	<u>2,174,625</u>	<u>92,918</u>	<u>2,267,543</u>	<u>1,962,769</u>
<b>Fixed Assets, net of accumulated depreciation (Note 2D and 6)</b>	<u>4,188</u>	<u>167</u>	<u>4,355</u>	<u>6,635</u>
<b>Cash Accounts:</b>				
Operating account	30,656	96,447	127,103	121,855
Petty cash	-	-	-	250
	<u>30,656</u>	<u>96,447</u>	<u>127,103</u>	<u>122,105</u>
<b>Other Assets:</b>				
Prepaid expense	35,259	1,612	36,871	33,003
	<u>35,259</u>	<u>1,612</u>	<u>36,871</u>	<u>33,003</u>
Total assets	<u>5,966,575</u>	<u>495,072</u>	<u>6,461,647</u>	<u>6,246,242</u>
<b>LIABILITIES</b>				
	2016			2015
	Safety Plan	Non-Safety Plan	Total	
<b>Liabilities:</b>				
Accounts payable	178,879	7,270	186,149	116,082
Due to Safety (Note 7)	-	10,651	10,651	39,792
Due to Non-Safety (Note 7)	7,558	-	7,558	142,211
Benefit account cash overdraft	-	-	-	9,451
Accrued vacation/payroll taxes	25,511	1,155	26,666	29,906
Total liabilities	<u>211,948</u>	<u>19,076</u>	<u>231,024</u>	<u>337,442</u>
<b>Net Assets Available for Benefits</b>	<u>5,754,627</u>	<u>475,996</u>	<u>6,230,623</u>	<u>5,908,800</u>

4

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
For the Years Ended December 31, 2016 and 2015**

	2016			2015	
	Safety Plan	Non-Safety Plan	Total		
<b>Additions:</b>					
Participant contributions (Notes 1C and 2B)	\$ 5,629,300	\$ 218,605	\$ 5,847,905	\$ 5,575,546	
Long term disability claims recoveries	1,584,815	-	1,584,815	1,016,944	
Standard insurance recoveries	1,586	64	1,650	21,514	
Admin fee revenue:					
Anthem Blue Cross	763,397	34,885	798,282	792,948	
AFLAC	169,894	7,764	177,658	177,524	
Insurance and Benefits Committee (Note 7)	5,782	219	6,001	6,000	
	<u>8,154,774</u>	<u>261,537</u>	<u>8,416,311</u>	<u>7,590,476</u>	
Investment income:					
Realized and unrealized gains on investments, net	93,522	5,296	98,818	(328,584)	
Interest and dividends	112,678	5,811	118,489	184,957	
	<u>206,200</u>	<u>11,107</u>	<u>217,307</u>	<u>(143,627)</u>	
Less: investment expenses	(8,511)	(1,411)	(9,922)	(19,131)	
	<u>197,689</u>	<u>9,696</u>	<u>207,385</u>	<u>(162,758)</u>	
Other income	<u>11,169</u>	<u>383</u>	<u>11,552</u>	<u>96</u>	
Total additions	<u>8,363,632</u>	<u>271,616</u>	<u>8,635,248</u>	<u>7,427,814</u>	
<b>Deductions:</b>					
<b>Self-funded claims (Note 1B and 2E):</b>					
Long Term Disability Claims	3,067,927	262,339	3,330,266	3,794,927	
Death Benefit	406,000	-	406,000	389,717	
Claims review costs	14,830	303	15,133	15,883	
	<u>3,488,757</u>	<u>262,642</u>	<u>3,751,399</u>	<u>4,200,527</u>	
<b>Insured benefits (Note 1B and 2E):</b>					
Standard Insurance- Extended Long Term Disability	2,718,773	-	2,718,773	2,549,655	
Voya- AD&D Death Benefit	242,075	10,244	252,319	245,386	
	<u>2,960,848</u>	<u>10,244</u>	<u>2,971,092</u>	<u>2,795,041</u>	
Total benefits	<u>6,449,605</u>	<u>272,886</u>	<u>6,722,491</u>	<u>6,995,568</u>	
<b>Operating expenses:</b>					
Administrative fees:					
PORAC (Note 7)	677,442	30,929	708,371	708,669	
Myers-Stevens Toohey	466,553	18,049	484,602	452,078	
	<u>1,143,995</u>	<u>48,978</u>	<u>1,192,973</u>	<u>1,160,747</u>	

(Continued)

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

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - (Continued)  
For the Years Ended December 31, 2016 and 2015**

	2016			2015
	Safety Plan	Non-Safety Plan	Total	
Professional services:				
Legal fees	146,386	6,646	153,032	122,300
Consultant	67,233	3,464	70,697	33,635
Audit fees	21,900	5,300	27,200	32,500
	<u>235,519</u>	<u>15,410</u>	<u>250,929</u>	<u>188,435</u>
General expenses:				
Insurance	29,575	1,381	30,956	24,457
Computer maintenance	46,414	1,859	48,273	64,928
Supplies and telephone	12,358	562	12,920	14,587
Meeting and conferences	48,504	2,207	50,711	62,636
Depreciation expense	2,180	100	2,280	2,676
Miscellaneous	1,563	329	1,892	1,894
	<u>140,594</u>	<u>6,438</u>	<u>147,032</u>	<u>171,178</u>
Total operating expenses	<u>1,520,108</u>	<u>70,826</u>	<u>1,590,934</u>	<u>1,520,360</u>
Total deductions	<u>7,969,713</u>	<u>343,712</u>	<u>8,313,425</u>	<u>8,515,928</u>
<b>Increase/(Decrease) in Net Assets Available for Benefits</b>	<u>393,919</u>	<u>(72,096)</u>	<u>321,823</u>	<u>(1,088,114)</u>
<b>Net Assets Available for Benefits:</b>				
Beginning of year	<u>5,360,708</u>	<u>548,092</u>	<u>5,908,800</u>	<u>6,996,914</u>
End of year	<u>\$ 5,754,627</u>	<u>\$ 475,996</u>	<u>\$ 6,230,623</u>	<u>5,908,800</u>

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

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
STATEMENTS OF BENEFIT OBLIGATIONS  
December 31, 2016 and 2015**

	<b>2016</b>			<b>2015</b>
	<b>Safety Plan</b>	<b>Non-Safety Plan</b>	<b>Total</b>	
<b>Amounts Currently Payable (Note 1B and 2E):</b>				
Group insurance premiums payable	\$ 373,370	-	373,370	\$ 353,118
Self-funded benefits claims payable (Note 5)	1,520,000	16,000	1,536,000	2,311,443
	<u>1,893,370</u>	<u>16,000</u>	<u>1,909,370</u>	<u>2,664,561</u>
<b>Other Obligations for Current Benefit</b>				
<b>Coverage at Estimated Amounts</b>				
Incurred but not reported claims (Note 5)	<u>783,000</u>	<u>54,000</u>	<u>837,000</u>	<u>725,000</u>
<b>Trust's Total Benefit Obligation</b>	<u>\$ 2,676,370</u>	<u>\$ 70,000</u>	<u>\$ 2,746,370</u>	<u>\$ 3,389,561</u>

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

INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
STATEMENTS OF CHANGES IN BENEFIT OBLIGATIONS  
FOR THE YEARS ENDED December 31, 2016 and 2015

	2016			2015
	Safety Plan	Non-Safety Plan	Total	
<b>Amounts currently payable to or for participants, beneficiaries, and dependents:</b>				
Balance at beginning of year	\$ 3,208,118	\$ 181,443	\$ 3,389,561	\$ 2,842,992
Claims reported and approved for payment	5,134,857	107,443	5,242,300	7,009,530
Claims and premiums paid	<u>(6,449,605)</u>	<u>(272,886)</u>	<u>(6,722,491)</u>	<u>(7,187,961)</u>
Balance at end of year	<u>1,893,370</u>	<u>16,000</u>	<u>1,909,370</u>	<u>2,664,561</u>
<b>Other obligations for current benefit coverage, at estimated amounts:</b>				
Balance at beginning of year	683,000	42,000	725,000	1,650,000
Net change during year:				
Claims incurred but not reported	<u>100,000</u>	<u>12,000</u>	<u>112,000</u>	<u>(925,000)</u>
Balance at end of year	<u>783,000</u>	<u>54,000</u>	<u>837,000</u>	<u>725,000</u>
<b>Trust's Total Benefit Obligation</b>	<u>\$ 2,676,370</u>	<u>\$ 70,000</u>	<u>\$ 2,746,370</u>	<u>\$ 3,389,561</u>

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

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - DESCRIPTION OF THE TRUST**

**A. General:**

The following brief description is provided for general information purposes only. Participants should refer to the Certificate of Coverage for more complete information.

The Insurance and Benefits Trust of the Peace Officers Research Association of California (“the Trust”) was established on June 21, 1991 by the governing committee. Set up as a VEBA (Voluntary Employee Benefits Association), the purpose of the Trust is to provide death, sickness, accident or other benefits to Peace Officers Research Association of California (“PORAC”) members or their beneficiaries. The Trust is made up of Safety and Non-Safety members. The Safety Plan is comprised of law enforcement and fire suppression. The Non-Safety Plan is combined of Specialized Non-Safety, which are members who are campus police that carry non-lethal weapons and Other Non-Safety, which are members such as dispatchers.

The Trust is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and is exempt from federal and California taxes on income under the current provisions of the Internal Revenue Code and the California Revenue and Taxation Code, respectively. The plan management believes that the Trust, as amended, continues to qualify and to operate in accordance with applicable provision of Internal Revenue Code for which the Trust has received a favorable tax exemption letter.

**B. Benefits:**

Participants are initially eligible for coverage on the date they become a member of PORAC and when their association begins participation under the Trust.

The benefits of the Trust are mainly funded through payment of participant contributions as well as premium deductions from payroll.

The Safety and Specialized Non-Safety members are eligible for long term disability, lifetime disability benefit, salary continuance pay and death benefits. The Other Non-Safety members are eligible for long term disability and death benefits.

**C. Contributions:**

During the years ended December 31, 2016 and 2015, the Trust received contributions at monthly rates equal to the per capita premium based upon level of benefits chosen at the following rates:

	Premier PLUS Plan	Premier Plan	Basic Plan
January 1, 2015 - December 31, 2016	\$24.50	\$21.50	\$11.50

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 1 - DESCRIPTION OF THE TRUST – (Continued)**

**D. Trust Termination:**

In the event the Trust terminates, the assets remaining after the payment of administrative expenses, shall be allocated in the manner determined by the Board of Trustees in accordance with applicable law.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Accounting:**

The Trust's financial statements are prepared on the accrual basis of accounting.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**B. Contributions:**

All active members of PORAC and retirees are entitled to participate in the benefits of the Trust which are mainly funded through payment of participant contributions as well as premium deductions from payroll. The payments are received weekly by a third party administrator, who then transfers the contributions to the Trust.

Material employer and participant contributions are accrued by the Plan in the year in which they are withheld from compensation or become obligations of the Company.

**C. Valuation of Investments:**

The Trust management determines valuation policies utilizing information provided by its investment advisors, managers, and custodians.

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

Cash equivalents are valued at cost, which equals fair value.

Corporate bonds and U.S. Government Obligations are valued at fair value based on third party pricing vendors using recent transactions or modeling using discounted cash flows or similar methods.

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

**C. Valuation of Investments: - (Continued)**

Mutual Fund's fair value is reported as the daily closing price as determined by the fund. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common stock, and Exchange Traded Funds are valued at fair value, based on closing market quotations at December 31.

**D. Property and Equipment:**

Property and equipment are stated at cost less accumulated depreciation. Depreciation is computed on the straight-line basis over estimated useful lives.

**E. Benefits:**

As a result of the eligibility provisions of the Trust, generally a participant is eligible to receive benefits on the date their association begins the participation in the plan and the date they become a member of PORAC.

Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

**F. Uncertain Tax Positions:**

The Trust has adopted guidance on accounting for uncertainty in income taxes issued by the Financial Accounting Standards Board. The Plan management believes that the Trust has not taken uncertain tax positions that require adjustment to the financial statements as a tax liability. The Plan management believes it is no longer subject to income tax examinations for fiscal years prior to December 31, 2013.

**G. Concentration of Risk:**

The Trust maintains its cash balances at high credit quality financial institutions. Accounts at these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At times, such cash balances may be in excess of the insurance limit.

**H. Reclassification:**

Certain prior year amounts may have been reclassified or information moved from the note to the statements to conform to current year financial statement presentation.



**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 3 - INVESTMENTS**

**A. General:**

The investments of the Trust are held by Fidelity Investments, under the terms of a custodian agreement and are invested in accordance with an investment policy and program directed by the Board of Trustees and UBS.

The following information, included in the Trust's financial statements as of December 31, 2016 and 2015, was prepared by Fidelity Investments and furnished to the Administrator:

<u>Safety</u>	<u>2016</u>	<u>2015</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Short term investment funds	\$ 1,313,935	\$ 69,258
Common stock	462	277,321
Corporate bonds	745,961	982,301
Government Securities	99,509	-
Mutual funds	1,124,106	2,426,946
Other- Exchange traded funds	437,874	71,221
	<u>\$ 3,721,847</u>	<u>\$ 3,827,047</u>
 <u>Non-Safety</u>	 <u>2016</u>	 <u>2015</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Short term investment funds	\$ 107,296	\$ 4,822
Common stock	38	25,274
Corporate bonds	60,916	74,674
Government Securities	8,126	-
Mutual funds	91,795	184,499
Other- Exchange traded funds	35,757	5,414
	<u>\$ 303,928</u>	<u>\$ 294,683</u>

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 3 – INVESTMENTS – (Continued)**

**B. Fair Value Measurement:**

The Trust has adopted the Fair Value Measurement Topic of the Financial Accounting Standards Board Accounting Standards Codification No. 820 (ASC 820). In accordance with ASC 820, fair value is defined as the price that the Trust would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. As amended, ASC 820 permits entities to use Net Asset Value (NAV) as a practical expedient to measure fair value when the investment does not have a readily determinable fair value and the net asset value is calculated in a manner consistent with the investment company accounting. ASC 820 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value including such a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The three-tier hierarchy of inputs is summarized in the three broad Levels listed below.

- Level 1 – quoted prices in active markets for identical investments
- Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Trust's own assumptions in determining the fair value of investments)

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 3 – INVESTMENTS – (Continued)**

**B. Fair Value Measurement:- (Continued)**

The following is a summary of the inputs used as of December 31, 2016 in valuing the Trust's investments carried at fair value:

	Level 1	Level 2	Level 3	Total 2016
Short term investment funds	\$ 1,421,231	\$ -	\$ -	\$ 1,421,231
Common stock	500	-	-	500
Corporate bonds	-	806,876	-	806,876
Government Securities	-	107,635	-	107,635
Mutual funds	1,215,901	-	-	1,215,901
Other- Exchange traded funds	473,632	-	-	473,632
Total	<u>\$ 3,111,264</u>	<u>\$ 914,511</u>	<u>\$ -</u>	<u>\$ 4,025,775</u>

	Level 1	Level 2	Level 3	Total 2016
<u>Safety:</u>				
Short term investment funds	\$ 1,313,935	\$ -	\$ -	\$ 1,313,935
Common stock	462	-	-	462
Corporate bonds	-	745,961	-	745,961
Government Securities	-	99,509	-	99,509
Mutual funds	1,124,106	-	-	1,124,106
Other- Exchange traded funds	437,874	-	-	437,874
Total	<u>\$ 2,876,377</u>	<u>\$ 845,470</u>	<u>\$ -</u>	<u>\$ 3,721,847</u>

	Level 1	Level 2	Level 3	Total 2016
<u>Non-Safety:</u>				
Short term investment funds	\$ 107,296	\$ -	\$ -	\$ 107,296
Common stock	38	-	-	38
Corporate bonds	-	60,916	-	60,916
Government Securities	-	8,126	-	8,126
Mutual funds	91,795	-	-	91,795
Other- Exchange traded funds	35,757	-	-	35,757
Total	<u>\$ 234,886</u>	<u>\$ 69,042</u>	<u>\$ -</u>	<u>\$ 303,928</u>

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 3 – INVESTMENTS - (Continued)**

**B. Fair Value Measurement: - (Continued)**

The following is a summary of the inputs used as of December 31, 2015 in valuing the Trust's investments carried at fair value:

	Level 1	Level 2	Level 3	Total 2015
Short term investment funds	\$ 74,080	\$ -	\$ -	\$ 74,080
Common stock	302,595	-	-	302,595
Corporate bonds	-	1,056,975	-	1,056,975
Mutual funds	2,611,445	-	-	2,611,445
Other- Exchange traded funds	76,635	-	-	76,635
Total	<u>\$ 3,064,755</u>	<u>\$ 1,056,975</u>	<u>\$ -</u>	<u>\$ 4,121,730</u>

	Level 1	Level 2	Level 3	Total 2015
<u>Safety:</u>				
Short term investment funds	\$ 69,258	\$ -	\$ -	\$ 69,258
Common stock	277,321	-	-	277,321
Corporate bonds	-	982,301	-	982,301
Mutual funds	2,426,946	-	-	2,426,946
Other- Exchange traded funds	71,221	-	-	71,221
Total	<u>\$ 2,844,746</u>	<u>\$ 982,301</u>	<u>\$ -</u>	<u>\$ 3,827,047</u>

	Level 1	Level 2	Level 3	Total 2015
<u>Non-Safety:</u>				
Short term investment funds	\$ 4,822	\$ -	\$ -	\$ 4,822
Common stock	25,274	-	-	25,274
Corporate bonds	-	74,674	-	74,674
Mutual funds	184,499	-	-	184,499
Other- Exchange traded funds	5,414	-	-	5,414
Total	<u>\$ 220,009</u>	<u>\$ 74,674</u>	<u>\$ -</u>	<u>\$ 294,683</u>

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 4 – ESTIMATED RECOVERABLE CLAIMS RECEIVABLE**

The total recoverable claims paid and outstanding represent liens on participants receiving benefits in the process of litigation, and participants who owe money to the trust fund for overpaid benefits. The amount for as of December 31, 2016 and 2015 was reduced by an estimate of the recovery rates based upon the Trust's estimate of recent history of recovered claims.

	<u>Safety</u>	<u>Non-Safety</u>	<u>2016</u>	<u>2015</u>
Total liens receivable	\$ 3,658,095	\$ 167,164	\$ 3,825,259	\$ 5,155,483
Estimated recovery rate	24%	24%	24%	20%
Total	<u>\$ 877,943</u>	<u>\$ 40,119</u>	<u>\$ 918,062</u>	<u>\$ 880,000</u>

	<u>Safety</u>	<u>Non-Safety</u>	<u>2016</u>	<u>2015</u>
Total overpayments receivable	\$ 663,882	\$ 30,337	\$ 694,219	\$ 991,461
Estimated recovery rate	66%	66%	66%	22%
Total	<u>\$ 438,025</u>	<u>\$ 20,016</u>	<u>\$ 458,041</u>	<u>\$ 220,000</u>

**NOTE 5- BENEFIT OBLIGATIONS AND NET ASSETS AVAILABLE FOR BENEFITS LESS CURRENT BENEFIT OBLIGATIONS (RECONCILIATION OF THE FINANCIAL STATEMENTS TO FORM 5500)**

The self-funded benefit claims liability, which includes reported and unreported claims, is calculated on the basis of claims incurred through December 31, in accordance with eligibility provisions. Claims reported through December 31, 2016 and 2015 for Safety total \$1,520,000 and \$2,172,000, respectively and for Non-Safety total \$16,000 and \$139,443, respectively. The liabilities for future payment of claims incurred but unreported at December 31, 2016 and 2015 for Safety total \$783,000 and \$683,000, respectively and for Non-Safety total \$54,000 and \$42,000, respectively; this has been estimated on the basis of statistical lag analysis studies. Given the nature of such analyses, it is reasonably possible that actual claims in the next year might differ from these estimates by amounts that would be material.

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 5- BENEFIT OBLIGATIONS AND NET ASSETS AVAILABLE FOR BENEFITS  
LESS CURRENT BENEFIT OBLIGATIONS (RECONCILIATION OF THE FINANCIAL  
STATEMENTS TO FORM 5500) – (Continued)**

Net Assets Available for Benefits less Current Benefit Obligations is a measurement of the Trust's ability to pay existing obligations that would expect to be satisfied within one year period. At December 31, 2016 and 2015 the calculation of Net Assets Available for Benefits less Current Benefit Obligations is as follows:

	2016			2015
	Safety	Non-Safety	Total	Total
Net Assets Available for Benefits (Exhibit A) (per Financial Statements)	\$ 5,754,627	\$ 475,996	\$ 6,230,623	\$ 5,908,800
Less: Current Benefit Obligations (Exhibit C)	(2,676,370)	(70,000)	(2,746,370)	(3,389,561)
Net Assets Available for Benefits Less Current Benefit Obligations (Net Assets per Form 5500)	<u>\$ 3,078,257</u>	<u>\$ 405,996</u>	<u>\$ 3,484,253</u>	<u>\$ 2,519,239</u>

**NOTE 6- PROPERTY AND EQUIPMENT**

Property and equipment and related accumulated depreciation comprised the following as of December 31, 2016 and 2015:

	Safety	Non-Safety	2016	2015
Office equipment	\$ 35,971	1,607	\$ 37,578	\$ 37,579
Less accumulated depreciation	(31,783)	(1,440)	(33,223)	(30,944)
Total equipment	<u>\$ 4,188</u>	<u>\$ 167</u>	<u>\$ 4,355</u>	<u>\$ 6,635</u>

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 7 – AGREEMENTS AND TRANSACTIONS WITH PERSONS KNOWN TO BE PARTIES-IN-INTEREST**

PORAC is a related party through common membership and management. The Trust also reimburses the actual salaries and related expenses for employees of the Trust solely devoted to the work of the Trust and a percentage of PORAC employee salaries and expenses based on the work they do for the Trust.

	<u>Safety</u>	<u>Non-Safety</u>	<u>2016</u>	<u>2015</u>
Salary and related expenses - IBT staff	\$ 543,769	\$ 24,821.00	\$ 568,590	\$ 563,222
Partial PORAC staff salary and related expenses -				
Administrative	41,966	1,918	43,884	41,852
Postage	4,046	185	4,231	4,067
Printing	1,045	48	1,093	561
Other miscellaneous expenses	86,616	3,957	90,573	98,967
	<u>\$ 677,442</u>	<u>\$ 30,929</u>	<u>\$ 708,371</u>	<u>\$ 708,669</u>

The Insurance Committee of PORAC reimburses the Trust for administrative services that the Insurance and Benefit Manager and Administrative Assistant provide for the Insurance Committee. Administrative income from the Insurance Committee for the years ended December 31, 2016 and 2015.

	<u>Safety</u>	<u>Non-Safety</u>	<u>2016</u>	<u>2015</u>
Insurance and Benefits Committee	\$ <u>5,782</u>	\$ <u>219</u>	\$ <u>6,001</u>	\$ <u>6,000</u>

The Safety Plan pays certain expenses on behalf of the Non-Safety Plan for which it is reimbursed. Such expenses include amounts for claims, salaries, professional fees, and direct operating costs of the Trust. As of December 31, 2016 and 2015, the amount of \$7,558 and \$142,211 was due to the Non-Safety Plan, respectively. As of December 31, 2016 and 2015, the amount of \$10,651 and \$39,792 was due from the Non-Safety Plan, respectively.

**INSURANCE AND BENEFITS TRUST OF THE PEACE  
OFFICERS RESEARCH ASSOCIATION OF CALIFORNIA  
NOTES TO THE FINANCIAL STATEMENTS- (Continued)**

**NOTE 8 – OPERATING LEASE**

Effective July 1, 2014, the Trust entered into a 63 month lease for a copier from US Bank used in its operations under an operating lease. According to the lease agreement, payments are \$144 plus applicable taxes and a property damage surcharge. At December 31, 2016, the future minimum lease payments are as follows:

2017	1,728
2018	1,440
	<u>\$ 3,168</u>

**NOTE 9 – RISKS AND UNCERTAINTIES**

The Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect amounts reported in the statements of net assets available for benefits.

**NOTE 10 – SUBSEQUENT EVENTS**

Management has evaluated subsequent events through the date on which the financial statements were available to be issued. This date is approximately the same as the independent auditor's report date. Management has concluded that no material subsequent events have occurred since December 31, 2016 that required recognition or disclosure in the financial statements.



Full name of Plan as listed on the 5500

EIN: 94-6182984, Plan No. 501

Schedule H, line 4i - Summary Schedule of Assets (Held at End of Year) as of  
December 31, 2016

				Attached Asset Statement Page #
Identity of Financial Institution	Account #	Cost	Fair Value	
UBS	JP 7562566	N/A	4,033,294	
Less: Total accrued interest			(7,519)	
			4,025,775	
Percentage that belongs to safety			0.9245	
Subtotal:			3,721,847	
Investments per Financial Statements		N/A	3,721,847	



Investment Account  
December 2016

Account name: INSURANCE AND BENEFITS TRUST  
Friendly account name: I and B Trust  
Account number: JP 75625 66

Your Financial Advisor:  
MARK K. SIKORSKI  
310-772-7000/800-553-9847

## Your assets

Some prices, income and current values shown may be approximate. As a result, gains and losses may not be accurately reflected. See *Important information about your statement* at the end of this document for more information.

### Cash

#### Cash and money balances

Holding	Opening balance on Dec 1 (\$)	Closing balance on Dec 30 (\$)	Price per share on Dec 30 (\$)	Average rate	Dividend/Interest period	Days in period
Cash	275.00	50.00				
LIQUID ASSETS GOVT FUND	1,514,939.65	1,421,181.14	1.00	0.38%	Nov 23 to Dec 22	30
<b>Total</b>	<b>\$1,515,214.65</b>	<b>\$1,421,231.14</b>				

### Equities

#### Common stock

Holding	Trade date	Number of shares	Purchase price/ Average price per share (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
LOCKHEED MARTIN CORP								
Symbol: LMT Exchange: NYSE								
EAI: \$15 Current yield: 3.00%	Jul 14, 15	2.000	199.050	398.10	249.940	499.88	101.78	LT

#### Closed end funds & Exchange traded products

*Total reinvested* is the total of all reinvested dividends. It does not include any cash dividends. It is not a tax lot for the purposes of determining holding periods or cost basis. The shares you receive each time you reinvest dividends become a separate tax lot.

*Cost basis* is the total purchase cost of the security, including reinvested dividends. The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

*Unrealized (tax) gain or loss* is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date. The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

*Investment return* is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss. It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
ISHARES RUSSELL 1000 ETF									
Symbol: IWB									
Trade date: Mar 23, 16	1,634.000	113.151	184,889.49	184,889.49	124.460	203,367.64	18,478.15	18,478.15	ST
EAI: \$3,840 Current yield: 1.89%									

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Investment Account  
December 2016

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310-772-7000/800-553-9847

Your assets › Equities › Closed end funds & Exchange traded products (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
WISDOMTREE EMERGING MARKETS SMALLCAP DIVID FUND ETF									
Symbol: DGS									
Trade date: Feb 20, 13	1,358.000	50.598	68,712.46	68,712.46	39.110	53,111.38	-15,601.08		LT
Trade date: Dec 31, 13	14.598	45.911	670.21	670.21	39.110	570.93	-99.28		LT
Trade date: Mar 28, 14	5.279	45.968	242.67	242.67	39.110	206.46	-36.21		LT
Trade date: Jun 24, 14	291.000	47.571	13,843.25	13,843.25	39.110	11,381.01	-2,462.24		LT
Trade date: Jun 27, 14	22.057	47.813	1,054.63	1,054.63	39.110	862.65	-191.98		LT
Trade date: Sep 26, 14	28.765	46.834	1,347.19	1,347.19	39.110	1,125.00	-222.19		LT
Trade date: Nov 17, 14	384.000	44.390	17,046.07	17,046.07	39.110	15,018.24	-2,027.83		LT
Trade date: Dec 26, 14	14.192	43.079	611.39	611.39	39.110	555.05	-56.34		LT
Trade date: Jun 26, 15	20.883	44.074	920.41	920.41	39.110	816.73	-103.68		LT
Trade date: Sep 25, 15	40.251	35.130	1,414.05	1,414.05	39.110	1,574.22	160.17		LT
Trade date: Dec 28, 15	6.818	35.699	243.40	243.40	39.110	266.65	23.25		LT
Trade date: Jun 24, 16	23.157	38.716	896.56	896.56	39.110	905.67	9.11		ST
EAI: \$2,958 Current yield: 3.42%									
Security total	2,209.000	48.439	107,002.29	107,002.29		86,393.99	-20,608.30	-20,608.30	
<b>Total</b>			<b>\$291,891.78</b>	<b>\$291,891.78</b>		<b>\$289,761.63</b>	<b>-\$2,130.15</b>	<b>-\$2,130.15</b>	

Total estimated annual income: \$6,798

Mutual funds

**Total reinvested** is the total of all reinvested dividends. It does not include any cash dividends. It is not a tax lot for the purposes of determining holding periods or cost basis. The shares you receive each time you reinvest dividends become a separate tax lot.

**Cost basis** is the total purchase cost of the security, including reinvested dividends. The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

**Unrealized (tax) gain or loss** is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date. The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

**Investment return** is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss. It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
RUSSELL U.S. SMALL & MID CAP I									
Symbol: REBSX									

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Investment Account  
December 2016

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Account number: JP 75625 66

Your Financial Advisor:  
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310-772-7000/800-553-9847

Your assets • **Equities** • Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Dec 23, 13	688.190	30.779	21,182.48	21,182.48	31.460	21,650.46	467.98		LT
Trade date: Jun 24, 14	318.878	31.359	10,000.00	10,000.00	31.460	10,031.90	31.90		LT
Trade date: Nov 6, 14	329.828	31.379	10,350.00	10,350.00	31.460	10,376.39	26.39		LT
Trade date: Nov 18, 14	477.555	31.409	15,000.00	15,000.00	31.460	15,023.88	23.88		LT
Trade date: Dec 22, 14	223.051	29.899	6,669.22	6,669.22	31.460	7,017.18	347.96		LT
Trade date: Dec 22, 14	25.158	29.899	752.21	752.21	31.460	791.47	39.26		LT
Trade date: Dec 22, 14	13.629	29.900	407.52	407.52	31.460	428.77	21.25		LT
Trade date: Apr 2, 15	121.076	31.220	3,780.00	3,780.00	31.460	3,809.05	29.05		LT
Trade date: Sep 17, 15	51.423	29.169	1,500.00	1,500.00	31.460	1,617.77	117.77		LT
Trade date: Dec 21, 15	176.571	25.760	4,548.47	4,548.47	31.460	5,554.92	1,006.45		LT
Trade date: Dec 21, 15	20.903	25.759	538.46	538.46	31.460	657.61	119.15		LT
Total reinvested	18.637	31.739		591.52	31.460	586.32	-5.20		
EAI: \$439 Current yield: 0.57%									
Security total	2,464.899	30.557	74,728.36	75,319.88		77,545.72	2,225.84	2,817.36	
RUSSELL GLOBAL INFRASTRUCTURE S									
Symbol: RGISX									
Trade date: Feb 16, 11	1,729.727	10.730	18,559.98	18,559.98	10.720	18,542.67	-17.31		LT
Trade date: Apr 4, 11	31.253	11.010	344.10	344.10	10.720	335.03	-9.07		LT
Trade date: Jul 5, 11	239.274	11.029	2,639.19	2,639.19	10.720	2,565.02	-74.17		LT
Trade date: Jul 12, 11	1,105.676	10.570	11,687.00	11,687.00	10.720	11,852.85	165.85		LT
Trade date: Oct 4, 11	137.932	9.249	1,275.87	1,275.87	10.720	1,478.63	202.76		LT
Trade date: Dec 23, 11	114.381	10.020	1,146.10	1,146.10	10.720	1,226.16	80.06		LT
Trade date: Dec 23, 11	7.015	10.019	70.29	70.29	10.720	75.20	4.91		LT
Trade date: Mar 27, 12	227.574	10.879	2,476.00	2,476.00	10.720	2,439.59	-36.41		LT
Trade date: Apr 3, 12	38.536	10.830	417.35	417.35	10.720	413.11	-4.24		LT
Trade date: May 17, 12	1,097.335	10.129	11,116.00	11,116.00	10.720	11,763.43	647.43		LT
Trade date: Jul 3, 12	279.995	10.550	2,953.95	2,953.95	10.720	3,001.55	47.60		LT
Trade date: Oct 2, 12	94.460	11.119	1,050.39	1,050.39	10.720	1,012.61	-37.78		LT
Trade date: Dec 24, 12	260.078	10.960	2,850.46	2,850.46	10.720	2,788.04	-62.42		LT
Trade date: Dec 24, 12	190.473	10.959	2,087.58	2,087.58	10.720	2,041.87	-45.71		LT

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Investment Account  
December 2016

Account name: INSURANCE AND BENEFITS TRUST  
Friendly account name: I and B Trust  
Account number: JP 75625 66

Your Financial Advisor:  
MARK K. SIKORSKI  
310-772-7000/800-553-9847

Your assets • **Equities** • **Mutual funds** (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Dec 24, 12	109.895	10.960	1,204.45	1,204.45	10.720	1,178.07	-26.38		LT
Trade date: Apr 2, 13	46.585	11.679	544.11	544.11	10.720	499.39	-44.72		LT
Trade date: Jul 2, 13	234.912	11.190	2,628.67	2,628.67	10.720	2,518.26	-110.41		LT
Trade date: Oct 2, 13	46.904	12.030	564.26	564.26	10.720	502.81	-61.45		LT
Trade date: Dec 23, 13	469.352	11.610	5,449.18	5,449.18	10.720	5,031.45	-417.73		LT
Trade date: Dec 23, 13	446.776	11.610	5,187.07	5,187.07	10.720	4,789.44	-397.63		LT
Trade date: Dec 23, 13	113.456	11.609	1,317.22	1,317.22	10.720	1,216.25	-100.97		LT
Trade date: Apr 2, 14	36.207	12.569	455.12	455.12	10.720	388.14	-66.98		LT
Trade date: Jul 2, 14	141.185	13.329	1,881.99	1,881.99	10.720	1,513.50	-368.49		LT
Trade date: Oct 2, 14	40.650	12.569	510.97	510.97	10.720	435.77	-75.20		LT
Trade date: Nov 6, 14	570.758	12.790	7,300.00	7,300.00	10.720	6,118.53	-1,181.47		LT
Trade date: Nov 17, 14	657.521	12.830	8,436.00	8,436.00	10.720	7,048.63	-1,387.37		LT
Trade date: Dec 22, 14	546.340	11.940	6,523.30	6,523.30	10.720	5,856.76	-666.54		LT
Trade date: Dec 22, 14	383.406	11.940	4,577.87	4,577.87	10.720	4,110.11	-467.76		LT
Trade date: Dec 22, 14	72.214	11.940	862.24	862.24	10.720	774.13	-88.11		LT
Trade date: Apr 2, 15	14.380	12.039	173.13	173.13	10.720	154.15	-18.98		LT
Trade date: Jul 2, 15	102.407	11.719	1,200.21	1,200.21	10.720	1,097.80	-102.41		LT
Trade date: Oct 2, 15	37.759	11.109	419.50	419.50	10.720	404.78	-14.72		LT
Trade date: Dec 21, 15	290.660	10.259	2,982.17	2,982.17	10.720	3,115.88	133.71		LT
Trade date: Dec 21, 15	68.696	10.259	704.82	704.82	10.720	736.42	31.60		LT
Trade date: Dec 21, 15	46.829	10.260	480.47	480.47	10.720	502.01	21.54		LT
Trade date: Dec 31, 15	1,049.713	10.460	10,980.00	10,980.00	10.720	11,252.92	272.92		LT
Trade date: Apr 4, 16	14.872	11.250	167.31	167.31	10.720	159.43	-7.88		ST
Trade date: Jul 5, 16	123.238	11.649	1,435.72	1,435.72	10.720	1,321.11	-114.61		ST
Total reinvested	578.345	10.785		6,237.90	10.720	6,199.86	-38.04		
EAI: \$3,220 Current yield: 2.55%									
Security total	11,796.769	11.096	124,660.04	130,897.94		126,461.36	-4,436.58	1,801.32	
RUSSELL EMERGING MARKETS S									
Symbol: REMSX									
Trade date: Feb 20, 13	2,549.588	19.089	48,671.63	48,671.63	15.790	40,257.99	-8,413.64		LT
Trade date: Apr 8, 13	485.598	18.399	8,935.00	8,935.00	15.790	7,667.59	-1,267.41		LT

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Investment Account  
December 2016

Account name: INSURANCE AND BENEFITS TRUST  
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MARK K. SIKORSKI  
310-772-7000/800-553-9847

Your assets • Equities • Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Jun 5, 13	30.225	18.229	551.00	551.00	15.790	477.25	-73.75		LT
Trade date: Jun 24, 13	336.996	16.380	5,520.00	5,520.00	15.790	5,321.17	-198.83		LT
Trade date: Aug 6, 13	133.276	17.580	2,343.00	2,343.00	15.790	2,104.43	-238.57		LT
Trade date: Nov 6, 13	112.361	18.849	2,118.00	2,118.00	15.790	1,774.18	-343.82		LT
Trade date: Dec 23, 13	331.259	17.769	5,886.47	5,886.47	15.790	5,230.58	-655.89		LT
Trade date: Dec 23, 13	80.127	17.769	1,423.85	1,423.85	15.790	1,265.21	-158.64		LT
Trade date: Nov 6, 14	467.290	18.189	8,500.00	8,500.00	15.790	7,378.51	-1,121.49		LT
Trade date: Nov 17, 14	552.951	18.129	10,025.00	10,025.00	15.790	8,731.10	-1,293.90		LT
Trade date: Nov 18, 14	33.516	18.200	610.00	610.00	15.790	529.22	-80.78		LT
Trade date: Dec 22, 14	140.788	17.019	2,396.21	2,396.21	15.790	2,223.04	-173.17		LT
Trade date: Dec 22, 14	114.979	17.020	1,956.95	1,956.95	15.790	1,815.52	-141.43		LT
Trade date: Dec 22, 14	24.387	17.019	415.06	415.06	15.790	385.07	-29.99		LT
Trade date: Jan 6, 15	242.728	16.569	4,022.00	4,022.00	15.790	3,832.67	-189.33		LT
Trade date: Dec 21, 15	7.535	14.309	107.82	107.82	15.790	118.98	11.16		LT
Total reinvested	61.076	15.689		958.28	15.790	964.39	6.11		
EAI: \$970 Current yield: 1.08%									
Security total	5,704.680	18.308	103,481.99	104,440.27		90,076.89	-14,363.37	-13,405.09	
RUSSELL GLOBAL REAL ESTATE SECURITIES									
FUND CLASS S									
Symbol: RRESX									
Trade date: Dec 8, 11	111.645	32.180	3,592.74	3,592.74	32.920	3,675.35	82.61		LT
Trade date: Dec 23, 11	1.135	32.854	37.29	37.29	32.920	37.36	0.07		LT
Trade date: Jan 4, 12	275.479	32.909	9,066.00	9,066.00	32.920	9,068.77	2.77		LT
Trade date: Apr 3, 12	54.656	36.460	1,992.76	1,992.76	32.920	1,799.28	-193.48		LT
Trade date: Jul 3, 12	49.126	37.270	1,830.93	1,830.93	32.920	1,617.23	-213.70		LT
Trade date: Oct 2, 12	20.353	38.400	781.57	781.57	32.920	670.02	-111.55		LT
Trade date: Dec 24, 12	207.845	39.009	8,108.02	8,108.02	32.920	6,842.26	-1,265.76		LT
Trade date: Dec 24, 12	19.329	39.009	754.02	754.02	32.920	636.31	-117.71		LT
Trade date: Apr 2, 13	45.059	41.380	1,864.55	1,864.55	32.920	1,483.34	-381.21		LT
Trade date: Jun 5, 13	381.051	39.789	15,162.00	15,162.00	32.920	12,544.20	-2,617.80		LT

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Investment Account  
December 2016

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Your assets • Equities • Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Jul 2, 13	37.528	39.589	1,485.73	1,485.73	32.920	1,235.42	-250.31		LT
Trade date: Oct 2, 13	14.055	40.421	568.12	568.12	32.920	462.69	-105.43		LT
Trade date: Dec 23, 13	346.359	36.149	12,520.86	12,520.86	32.920	11,402.14	-1,118.72		LT
Trade date: Dec 23, 13	60.975	36.149	2,204.24	2,204.24	32.920	2,007.30	-196.94		LT
Trade date: Dec 23, 13	59.770	36.150	2,160.70	2,160.70	32.920	1,967.63	-193.07		LT
Trade date: Apr 2, 14	48.440	37.819	1,831.99	1,831.99	32.920	1,594.64	-237.35		LT
Trade date: Jun 24, 14	20.554	40.040	823.00	823.00	32.920	676.64	-146.36		LT
Trade date: Jul 2, 14	29.760	40.180	1,195.77	1,195.77	32.920	979.70	-216.07		LT
Trade date: Oct 2, 14	11.056	37.918	419.23	419.23	32.920	363.96	-55.27		LT
Trade date: Nov 6, 14	107.018	40.180	4,300.00	4,300.00	32.920	3,523.03	-776.97		LT
Trade date: Nov 17, 14	120.924	40.479	4,895.00	4,895.00	32.920	3,980.82	-914.18		LT
Trade date: Nov 18, 14	5.368	40.611	218.00	218.00	32.920	176.71	-41.29		LT
Trade date: Dec 22, 14	206.581	38.820	8,019.48	8,019.48	32.920	6,800.65	-1,218.83		LT
Trade date: Dec 22, 14	43.633	38.820	1,693.85	1,693.85	32.920	1,436.40	-257.45		LT
Trade date: Dec 22, 14	24.840	38.820	964.30	964.30	32.920	817.73	-146.57		LT
Trade date: Apr 2, 15	28.050	40.159	1,126.48	1,126.48	32.920	923.41	-203.07		LT
Trade date: Jul 2, 15	18.585	37.499	696.93	696.93	32.920	611.82	-85.11		LT
Trade date: Jul 15, 15	506.422	38.150	19,320.00	19,320.00	32.920	16,671.41	-2,648.59		LT
Trade date: Oct 2, 15	11.035	36.870	406.87	406.87	32.920	363.27	-43.60		LT
Trade date: Dec 21, 15	156.229	35.299	5,514.88	5,514.88	32.920	5,143.06	-371.82		LT
Trade date: Dec 21, 15	17.757	35.300	626.83	626.83	32.920	584.56	-42.27		LT
Trade date: Dec 31, 15	199.187	35.659	7,103.00	7,103.00	32.920	6,557.24	-545.76		LT
Trade date: Feb 23, 16	36.320	33.700	1,224.00	1,224.00	32.920	1,195.65	-28.35		ST
Trade date: Apr 4, 16	20.844	36.699	764.97	764.97	32.920	686.18	-78.79		ST
Trade date: Jul 5, 16	42.405	37.249	1,579.58	1,579.58	32.920	1,395.97	-183.61		ST
Total reinvested	307.606	32.774		10,081.66	32.920	10,126.39	44.73		
EAI: \$5,941 Current yield: 4.95%									
Security total	3,646.979	36.999	124,853.69	134,935.35		120,058.54	-14,876.81	-4,795.15	
<b>Total</b>			<b>\$427,724.08</b>	<b>\$445,593.44</b>		<b>\$414,142.51</b>	<b>-\$31,450.92</b>	<b>-\$13,581.57</b>	
<b>Total estimated annual income: \$10,570</b>									



Investment Account  
December 2016

Account name: INSURANCE AND BENEFITS TRUST  
Friendly account name: I and B Trust  
Account number: JP 75625 66

Your Financial Advisor:  
MARK K. SIKORSKI  
310-772-7000/800-553-9847

Your assets (continued)

## Fixed income

### Corporate bonds and notes

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values. Actual market values may vary and thus gains/losses may not be accurately reflected. Cost basis has been adjusted for accreted original issue discount (OID). Cost basis has been

automatically adjusted for amortization of bond premium using the constant yield method. If you have made a tax election to deduct the premium amortization on taxable debt securities, you may request UBS adjust cost basis for the bond premium amortization.

Holding	Trade date	Total face value at maturity (\$)	Purchase price (\$)	Adjusted cost basis (\$)	Price on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
EXELON GENERATION CO LLC CALL@MW +25BP RATE 06.200% MATURES 10/01/17 ACCRUED INTEREST \$536.47 CUSIP 30161MAE3 Moody: Baa2 S&P: BBB EAI: \$2,170 Current yield: 6.00%	Dec 02, 11	35,000.000	114.522	40,082.90	103.358	36,175.30	-3,907.60	LT
NYSE Euronext NTS B/E CALL@MW+20BP RATE 02.000% MATURES 10/05/17 ACCRUED INTEREST \$236.11 CUSIP 629491AB7 Moody: A2 S&P: A EAI: \$1,000 Current yield: 1.99%	Jul 16, 13	50,000.000	99.832	49,916.25	100.446	50,223.00	306.75	LT
NASDAQ OMX GROUP (THE) CALL@MW+40 BP RATE 05.250% MATURES 01/16/18 ACCRUED INTEREST \$837.08 CUSIP 631103AE8 Moody: Baa3 S&P: BBB EAI: \$1,838 Current yield: 5.07%	Dec 09, 11	35,000.000	104.483	36,569.25	103.467	36,213.45	-355.80	LT
AT&T INC NTS CALL@MW T+30BP RATE 05.600% MATURES 05/15/18 ACCRUED INTEREST \$280.00 CUSIP 00206RAM4 Moody: Baa1 S&P: BBB+ EAI: \$2,240 Current yield: 5.33%	Oct 23, 15	40,000.000	110.114	44,045.60	105.032	42,012.80	-2,032.80	LT

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Your assets • Fixed income • Corporate bonds and notes (continued)

Holding	Trade date	Total face value at maturity (\$)	Purchase price (\$)	Adjusted cost basis (\$)	Price on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
HUMANA INC NTS CALL@MW T+50BP RATE 07.200% MATURES 06/15/18 ACCRUED INTEREST \$105.00 CUSIP 444859AY8 Moody: Baa3 S&P: A- EAI: \$2,520 Current yield: 6.70%								
	Dec 05, 11	35,000.000	117.217	41,026.15	107.493	37,622.55	-3,403.60	LT
TIME WARNER CABLE INC CALL@MW+40BP RATE 06.750% MATURES 07/01/18 ACCRUED INTEREST \$1,174.68 CUSIP 88732JAL2 Moody: Ba1 S&P: BBB- EAI: \$2,363 Current yield: 6.32%								
	Jan 19, 16	35,000.000	109.942	38,479.90	106.762	37,366.70	-1,113.20	ST
EDWARDS LIFESCIENCES CALL@MW+25BP RATE 02.875% MATURES 10/15/18 ACCRUED INTEREST \$209.63 CUSIP 28176EAC2 Moody: Baa3 S&P: BBB- EAI: \$1,006 Current yield: 2.83%								
	Nov 06, 13	35,000.000	100.460	35,161.20	101.502	35,525.70	364.50	LT
GOLDMAN SACHS GROUP INC NTS B/E RATE 06.000% MATURES 06/15/20 ACCRUED INTEREST \$150.00 CUSIP 38141EA66 Moody: A3 S&P: BBB+ EAI: \$3,600 Current yield: 5.41%								
	Feb 05, 14	60,000.000	115.625	69,375.40	110.894	66,536.40	-2,839.00	LT
KOHLS CORP NTS B/E OBP RATE 04.000% MATURES 11/01/21 CALLABLE ACCRUED INTEREST \$262.22 CUSIP 500255ARS Moody: Baa2 S&P: BBB EAI: \$1,600 Current yield: 3.81%								
	Dec 10, 15	40,000.000	102.616	41,046.40	104.871	41,948.40	902.00	LT

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Your assets • Fixed income • Corporate bonds and notes (continued)

Holding	Trade date	Total face value at maturity (\$)	Purchase price (\$)	Adjusted cost basis (\$)	Price on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
TEVA PHARMACEUTICAL FIN OBP RATE 03.650% MATURES 11/10/21 ACCRUED INTEREST \$96.31 CUSIP 88165FAF9 Moody: Baa2 S&P: BBB EAI: \$694 Current yield: 3.60%	Mar 25, 14	18,000.000	99.886	17,979.61	101.285	18,231.30	251.69	LT
		1,000.000	---This information was unavailable---		101.285	1,012.85		
Security total		19,000.000		17,979.61		19,244.15	251.69	
AMGEN INC NTS B/E OBP RATE 03.875% MATURES 11/15/21 ACCRUED INTEREST \$314.84 CUSIP 031162BM1 Moody: Baa1 S&P: A EAI: \$2,519 Current yield: 3.70%	May 20, 14	65,000.000	105.912	68,843.05	104.682	68,043.30	-799.75	LT
BP CAPITAL MARKETS PLC B/E RATE 03.245% MATURES 05/06/22 ACCRUED INTEREST \$194.70 CUSIP 05565QBZ0 Moody: A2 S&P: A- EAI: \$1,298 Current yield: 3.18%	Nov 14, 14	40,000.000	99.689	39,875.60	102.113	40,845.20	969.60	LT
VERISK ANALYTICS INC NTS CALL@MW +40BP RATE 04.125% MATURES 09/12/22 ACCRUED INTEREST \$433.12 CUSIP 92345YAC0 Moody: Baa3 S&P: BBB- EAI: \$1,444 Current yield: 3.96%	Nov 07, 13	35,000.000	99.825	34,938.95	104.189	36,466.15	1,527.20	LT

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Your assets • Fixed income • Corporate bonds and notes (continued)

Holding	Trade date	Total face value at maturity (\$)	Purchase price (\$)	Adjusted cost basis (\$)	Price on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
NIKE INC -CL A B/E CALL@MW+108P RATE 02.250% MATURES 05/01/23 CALLABLE ACCRUED INTEREST \$202.81 CUSIP 654106AC7 Moody: A1 S&P: AA- EAI: \$1,238 Current yield: 2.31%	Dec 10, 13	55,000.000	91.336	50,234.90	97.525	53,638.75	3,403.85	LT
LEUCADIA NATL CORP B/E CALL@MW+458P RATE 05.500% MATURES 10/18/23 CALLABLE ACCRUED INTEREST \$440.00 CUSIP 527288BE3 Moody: Ba2 S&P: BBB- EAI: \$2,200 Current yield: 5.19%	Nov 12, 14	40,000.000	104.732	41,892.80	105.898	42,359.20	466.40	LT
CITIGROUP INC B/E RATE 03.875% MATURES 10/25/23 ACCRUED INTEREST \$279.86 CUSIP 172967HD6 Moody: Baa1 S&P: BBB+ EAI: \$1,550 Current yield: 3.76%	Apr 15, 14	40,000.000	100.371	40,148.68	103.038	41,215.20	1,066.52	LT
MOTOROLA SOLUTIONS INC CALL@MW+308P RATE 04.000% MATURES 09/01/24 ACCRUED INTEREST \$528.88 CUSIP 620076BF5 Moody: Baa3 S&P: BBB- EAI: \$1,600 Current yield: 4.00%	Sep 15, 14	40,000.000	97.731	39,092.40	100.117	40,046.80	954.40	LT
JANUS CAPITAL GROUP INC CALL@MW+458P RATE 04.875% MATURES 08/01/25 CALLABLE ACCRUED INTEREST \$807.08 CUSIP 47102XAJ4 Moody: Baa3 S&P: BBB EAI: \$1,950 Current yield: 4.73%	Aug 31, 15	40,000.000	101.760	40,704.00	103.044	41,217.60	513.60	LT

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## Your assets • Fixed income • Corporate bonds and notes (continued)

Holding	Trade date	Total face value at maturity (\$)	Purchase price (\$)	Adjusted cost basis (\$)	Price on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
VISA INC NTS B/E CALL@MW+15BP RATE 03.150% MATURES 12/14/25 CALLABLE ACCRUED INTEREST \$56.00 CUSIP 92826CAD4 Moody: A1 S&P: A+ EAI: \$1,260 Current yield: 3.14%	Mar 23, 16	40,000.000	103.755	41,502.00	100.439	40,175.60	-1,326.40	ST
<b>Total</b>		<b>\$779,000.000</b>		<b>\$810,915.04</b>		<b>\$806,876.25</b>	<b>-\$5,051.64</b>	

Total accrued interest: \$7,144.79

Total estimated annual income: \$34,090

## Closed end funds & Exchange traded products

*Total reinvested* is the total of all reinvested dividends. It does not include any cash dividends. It is not a tax lot for the purposes of determining holding periods or cost basis. The shares you receive each time you reinvest dividends become a separate tax lot.

*Cost basis* is the total purchase cost of the security, including reinvested dividends. The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

*Unrealized (tax) gain or loss* is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date. The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

*Investment return* is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss. It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
ISHARES SHORT TREAS BOND ETF Symbol: SHV Trade date: Jun 14, 16 EAI: \$622 Current yield: 0.34%	1,667.000	110.399	184,036.33	184,036.33	110.300	183,870.10	-166.23	-166.23	ST







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## Your assets • Fixed income (continued)

### Mutual funds

**Total reinvested** is the total of all reinvested dividends. It does not include any cash dividends. It is not a tax lot for the purposes of determining holding periods or cost basis. The shares you receive each time you reinvest dividends become a separate tax lot.

**Cost basis** is the total purchase cost of the security, including reinvested dividends. The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

**Unrealized (tax) gain or loss** is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date. The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

**Investment return** is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss. It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
PIMCO EMERGING MARKETS									
FULL SPECTRUM BOND FUND									
CLASS INSTL									
Symbol: PFSIX									
Trade date: Jun 17, 13	11,323.556	9.450	107,011.71	107,011.71	7.330	83,001.67	-24,010.04		LT
Trade date: Nov 29, 13	165.508	8.990	1,487.92	1,487.92	7.330	1,213.17	-274.75		LT
Trade date: Dec 11, 13	5.979	8.979	53.69	53.69	7.330	43.83	-9.86		LT
Trade date: Dec 31, 13	340.928	8.910	3,037.67	3,037.67	7.330	2,499.00	-538.67		LT
Trade date: Jan 31, 14	171.545	8.620	1,478.72	1,478.72	7.330	1,257.42	-221.30		LT
Trade date: Feb 28, 14	156.731	8.860	1,388.64	1,388.64	7.330	1,148.84	-239.80		LT
Trade date: Mar 31, 14	155.259	8.959	1,391.12	1,391.12	7.330	1,138.05	-253.07		LT
Trade date: Apr 30, 14	164.085	9.010	1,478.41	1,478.41	7.330	1,202.74	-275.67		LT
Trade date: May 30, 14	163.318	9.219	1,505.79	1,505.79	7.330	1,197.12	-308.67		LT
Trade date: Jun 30, 14	154.387	9.279	1,432.71	1,432.71	7.330	1,131.66	-301.05		LT
Trade date: Jul 31, 14	151.443	9.149	1,385.70	1,385.70	7.330	1,110.08	-275.62		LT
Trade date: Aug 29, 14	152.306	9.180	1,398.17	1,398.17	7.330	1,116.40	-281.77		LT
Trade date: Sep 30, 14	142.896	8.839	1,263.20	1,263.20	7.330	1,047.43	-215.77		LT
Trade date: Oct 31, 14	153.092	8.900	1,362.52	1,362.52	7.330	1,122.16	-240.36		LT
Trade date: Nov 17, 14	1,444.943	8.711	12,587.00	12,587.00	7.330	10,591.43	-1,995.57		LT
Trade date: Nov 28, 14	134.951	8.729	1,178.12	1,178.12	7.330	989.19	-188.93		LT
Trade date: Dec 10, 14	94.454	8.289	783.02	783.02	7.330	692.35	-90.67		LT
Trade date: Dec 31, 14	239.334	8.140	1,948.18	1,948.18	7.330	1,754.32	-193.86		LT
Trade date: Jan 30, 15	147.322	8.079	1,190.36	1,190.36	7.330	1,079.87	-110.49		LT
Trade date: Feb 27, 15	134.672	8.069	1,086.80	1,086.80	7.330	987.15	-99.65		LT
Trade date: Mar 31, 15	140.419	7.940	1,114.93	1,114.93	7.330	1,029.27	-85.66		LT

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Your assets › Fixed income › Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Apr 30, 15	128.211	8.140	1,043.64	1,043.64	7.330	939.79	-103.85		LT
Trade date: May 29, 15	133.240	8.040	1,071.25	1,071.25	7.330	976.65	-94.60		LT
Trade date: Jun 30, 15	136.155	7.879	1,072.90	1,072.90	7.330	998.02	-74.88		LT
Trade date: Jul 15, 15	2,350.000	7.866	18,487.00	18,487.00	7.330	17,225.50	-1,261.50		LT
Trade date: Jul 31, 15	144.819	7.640	1,106.42	1,106.42	7.330	1,061.52	-44.90		LT
Trade date: Aug 31, 15	137.066	7.309	1,001.95	1,001.95	7.330	1,004.69	2.74		LT
Trade date: Sep 30, 15	138.206	6.999	967.44	967.44	7.330	1,013.05	45.61		LT
Trade date: Oct 30, 15	115.521	7.250	837.53	837.53	7.330	846.77	9.24		LT
Trade date: Nov 30, 15	120.375	7.120	857.07	857.07	7.330	882.35	25.28		LT
Trade date: Dec 31, 15	180.120	6.890	1,241.03	1,241.03	7.330	1,320.28	79.25		LT
Trade date: Jan 29, 16	79.927	6.819	545.10	545.10	7.330	585.86	40.76		ST
Trade date: Feb 23, 16	4,676.453	6.883	32,190.00	32,190.00	7.330	34,278.40	2,088.40		ST
Trade date: Feb 29, 16	82.475	6.869	566.60	566.60	7.330	604.54	37.94		ST
Trade date: Mar 31, 16	102.754	7.309	751.13	751.13	7.330	753.19	2.06		ST
Trade date: Apr 29, 16	102.387	7.490	766.88	766.88	7.330	750.50	-16.38		ST
Trade date: May 26, 16	3,069.146	7.265	22,298.00	22,298.00	7.330	22,496.84	198.84		ST
Trade date: May 31, 16	114.133	7.239	826.32	826.32	7.330	836.59	10.27		ST
Trade date: Jun 30, 16	118.552	7.539	893.88	893.88	7.330	868.99	-24.89		ST
Trade date: Jul 29, 16	116.427	7.589	883.68	883.68	7.330	853.41	-30.27		ST
Total reinvested	374.519	7.518		2,815.81	7.330	2,745.22	-70.59		
EAI: \$10,869 Current yield: 5.27%									
Security total	28,157.614	8.374	232,972.20	235,788.01		206,395.31	-29,392.70	-26,576.89	
PIMCO FDS HIGH YLD									
INSTIL FD									
Symbol: PHIYX									
Trade date: Mar 27, 12	456.043	9.316	4,248.78	4,248.78	8.810	4,017.74	-231.04		LT
Trade date: Mar 30, 12	121.652	9.290	1,130.15	1,130.15	8.810	1,071.75	-58.40		LT
Trade date: Apr 30, 12	121.713	9.329	1,135.58	1,135.58	8.810	1,072.29	-63.29		LT
Trade date: May 31, 12	129.299	9.130	1,180.50	1,180.50	8.810	1,139.12	-41.38		LT
Trade date: Jun 29, 12	128.218	9.279	1,189.86	1,189.86	8.810	1,129.60	-60.26		LT
Trade date: Jul 31, 12	96.840	9.390	909.33	909.33	8.810	853.16	-56.17		LT

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Your assets • Fixed income • Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Aug 31, 12	103.052	9.449	973.84	973.84	8.810	907.89	-65.95		LT
Trade date: Sep 28, 12	80.205	9.519	763.55	763.55	8.810	706.61	-56.94		LT
Trade date: Oct 31, 12	90.159	9.550	861.02	861.02	8.810	794.30	-66.72		LT
Trade date: Nov 30, 12	103.710	9.590	994.58	994.58	8.810	913.68	-80.90		LT
Trade date: Dec 27, 12	70.108	9.649	676.54	676.54	8.810	617.65	-58.89		LT
Trade date: Dec 31, 12	95.482	9.640	920.45	920.45	8.810	841.20	-79.25		LT
Trade date: Jan 31, 13	94.926	9.679	918.88	918.88	8.810	836.30	-82.58		LT
Trade date: Feb 20, 13	3,354.705	9.674	32,456.00	32,456.00	8.810	29,554.95	-2,901.05		LT
Trade date: Feb 28, 13	100.823	9.680	975.97	975.97	8.810	888.25	-87.72		LT
Trade date: Mar 28, 13	112.701	9.710	1,094.33	1,094.33	8.810	992.90	-101.43		LT
Trade date: Apr 30, 13	112.168	9.829	1,102.61	1,102.61	8.810	988.20	-114.41		LT
Trade date: May 31, 13	120.370	9.700	1,167.59	1,167.59	8.810	1,060.46	-107.13		LT
Trade date: Jun 28, 13	106.714	9.420	1,005.25	1,005.25	8.810	940.15	-65.10		LT
Trade date: Jul 31, 13	113.667	9.539	1,084.38	1,084.38	8.810	1,001.41	-82.97		LT
Trade date: Aug 30, 13	123.454	9.429	1,164.17	1,164.17	8.810	1,087.63	-76.54		LT
Trade date: Sep 30, 13	99.954	9.469	946.56	946.56	8.810	880.59	-65.97		LT
Trade date: Oct 31, 13	103.072	9.629	992.58	992.58	8.810	908.06	-84.52		LT
Trade date: Nov 29, 13	102.614	9.620	987.15	987.15	8.810	904.03	-83.12		LT
Trade date: Dec 11, 13	0.065	9.692	0.63	0.63	8.810	0.57	-0.06		LT
Trade date: Dec 31, 13	102.206	9.610	982.20	982.20	8.810	900.43	-81.77		LT
Trade date: Jan 31, 14	104.341	9.619	1,008.57	1,008.57	8.810	923.65	-84.92		LT
Trade date: Feb 28, 14	93.120	9.759	908.85	908.85	8.810	820.39	-88.46		LT
Trade date: Mar 31, 14	87.970	9.730	855.95	855.95	8.810	775.02	-80.93		LT
Trade date: Apr 30, 14	92.559	9.730	900.60	900.60	8.810	815.44	-85.16		LT
Trade date: May 30, 14	90.184	9.760	880.20	880.20	8.810	794.52	-85.68		LT
Trade date: Jun 30, 14	85.816	9.769	838.42	838.42	8.810	756.04	-82.38		LT
Trade date: Jul 31, 14	86.020	9.589	824.93	824.93	8.810	757.84	-67.09		LT
Trade date: Aug 29, 14	79.595	9.719	773.66	773.66	8.810	701.23	-72.43		LT
Trade date: Sep 30, 14	76.440	9.470	723.89	723.89	8.810	673.44	-50.45		LT
Trade date: Oct 31, 14	78.967	9.609	758.87	758.87	8.810	695.70	-63.17		LT
Trade date: Nov 6, 14	1,458.333	9.610	14,016.00	14,016.00	8.810	12,847.91	-1,168.09		LT
Trade date: Nov 28, 14	72.270	9.519	688.01	688.01	8.810	636.70	-51.31		LT

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Investment Account  
December 2016

Account name: INSURANCE AND BENEFITS TRUST  
Friendly account name: I and B Trust  
Account number: JP 75625 66

Your Financial Advisor:  
MARK K. SIKORSKI  
310-772-7000/800-553-9847

Your assets • Fixed income • Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
Trade date: Dec 10, 14	351.047	9.120	3,201.55	3,201.55	8.810	3,092.72	-108.83		LT
Trade date: Dec 29, 14	78.323	9.150	716.66	716.66	8.810	690.03	-26.63		LT
Trade date: Dec 31, 14	94.207	9.139	861.05	861.05	8.810	829.96	-31.09		LT
Trade date: Jan 30, 15	76.876	9.189	706.49	706.49	8.810	677.28	-29.21		LT
Trade date: Feb 27, 15	73.527	9.339	686.74	686.74	8.810	647.77	-38.97		LT
Trade date: Mar 31, 15	71.094	9.240	656.91	656.91	8.810	626.34	-30.57		LT
Trade date: Apr 30, 15	69.059	9.290	641.56	641.56	8.810	608.41	-33.15		LT
Trade date: May 29, 15	66.299	9.269	614.59	614.59	8.810	584.09	-30.50		LT
Trade date: Jun 30, 15	68.669	9.089	624.20	624.20	8.810	604.97	-19.23		LT
Trade date: Jul 15, 15	1,378.228	9.151	12,613.00	12,613.00	8.810	12,142.19	-470.81		LT
Trade date: Jul 31, 15	72.932	9.089	662.95	662.95	8.810	642.53	-20.42		LT
Trade date: Aug 31, 15	63.126	8.940	564.35	564.35	8.810	556.14	-8.21		LT
Trade date: Sep 30, 15	58.014	8.649	501.82	501.82	8.810	511.10	9.28		LT
Trade date: Oct 2, 15	2,047.674	8.607	17,626.00	17,626.00	8.810	18,040.01	414.01		LT
Trade date: Oct 30, 15	67.418	8.890	599.35	599.35	8.810	593.95	-5.40		LT
Trade date: Nov 30, 15	67.449	8.669	584.78	584.78	8.810	594.23	9.45		LT
Trade date: Dec 16, 15	385.158	8.239	3,173.70	3,173.70	8.810	3,393.24	219.54		LT
Trade date: Dec 31, 15	86.946	8.259	718.17	718.17	8.810	765.99	47.82		LT
Trade date: Jan 29, 16	62.114	8.150	506.23	506.23	8.810	547.22	40.99		ST
Trade date: Feb 29, 16	66.582	8.149	542.64	542.64	8.810	586.59	43.95		ST
Trade date: Mar 31, 16	61.661	8.369	516.10	516.10	8.810	543.23	27.13		ST
Trade date: Apr 29, 16	63.349	8.539	541.00	541.00	8.810	558.10	17.10		ST
Trade date: May 31, 16	64.117	8.520	546.28	546.28	8.810	564.87	18.59		ST
Trade date: Jun 30, 16	66.016	8.530	563.12	563.12	8.810	581.60	18.48		ST
Trade date: Jul 29, 16	64.893	8.700	564.57	564.57	8.810	571.71	7.14		ST
Total reinvested	248.591	8.781		2,183.07	8.810	2,190.09	7.02		
EAI: \$6,971 Current yield: 5.45%									
Security total	14,523.404	9.279	132,574.24	134,757.31		127,951.18	-6,806.15	-4,623.08	
<b>Total</b>			<b>\$365,546.44</b>	<b>\$370,545.32</b>		<b>\$334,346.49</b>	<b>-\$36,198.85</b>	<b>-\$31,199.95</b>	
Total estimated annual income: <b>\$17,840</b>									







Investment Account  
December 2016

Account name: INSURANCE AND BENEFITS TRUST  
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Account number: JP 75625 66

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MARK K. SIKORSKI  
310-772-7000/800-553-9847

Your assets • **Fixed income** (continued)

**Government securities**

Prices are obtained from independent quotation bureaus that use computerized valuation formulas to calculate current values. Actual market values may vary and thus gains/losses may not be accurately reflected. Cost basis has been adjusted for accreted original issue discount (OID). Cost basis has been

automatically adjusted for amortization of bond premium using the constant yield method. If you have made a tax election to deduct the premium amortization on taxable debt securities, you may request that UBS adjust cost basis for the bond premium amortization.

Holding	Trade date	Quantity	Purchase price (\$)	Adjusted cost basis (\$)	Price on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized gain or loss (\$)	Holding period
U S TREASURY NOTE								
RATE 1.3750% MATURES 11/30/18								
ACCRUED INTEREST \$45.32								
CUSIP 912828RT9								
EAI: \$550 Current yield: 1.37%	Mar 23, 15	40,000.000	100.798	40,319.37	100.363	40,145.20	-174.17	LT
FANNIE MAE BOND								
RATE 1.8750% MATURES 02/19/19								
ACCRUED INTEREST \$170.57								
CUSIP 3135G0ZA4								
EAI: \$469 Current yield: 1.85%	Nov 12, 14	25,000.000	101.258	25,314.63	101.218	25,304.50	-10.13	LT
FHLB NTS								
RATE 2.1500% MATURES 11/01/24								
ACCRUED INTEREST \$158.56								
CUSIP 3130A8SJ3								
EAI: \$968 Current yield: 2.29%	Jul 18, 16	45,000.000	100.022	45,010.00	93.745	42,185.25	-2,824.75	ST
<b>Total</b>		<b>110,000.000</b>		<b>\$110,644.00</b>		<b>\$107,634.95</b>	<b>-\$3,009.05</b>	
<b>Total accrued interest: \$374.45</b>								
<b>Total estimated annual income: \$1,987</b>								



Investment Account  
December 2016

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Your assets (continued)

## Non-traditional

### Mutual funds

*Total reinvested* is the total of all reinvested dividends. It does not include any cash dividends. It is not a tax lot for the purposes of determining holding periods or cost basis. The shares you receive each time you reinvest dividends become a separate tax lot.

*Cost basis* is the total purchase cost of the security, including reinvested dividends. The cost basis may need to be adjusted for return of capital payments in order to determine the adjusted cost basis for tax reporting purposes.

*Unrealized (tax) gain or loss* is the difference between the current value and the cost basis and would generally be your taxable gain or loss if the security was sold on this date. The unrealized (tax) gain or loss may need to be adjusted for return of capital payments in order to determine the realized gain or loss for tax reporting purposes.

*Investment return* is the current value minus the amount you invested. It does not include shares that are not reflected on your statement, including shares that have been realized as either a gain or a loss. It also does not include cash dividends that were not reinvested.

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
PIMCO ALL ASSET ALL AUTHORITY FUND CLASS I Symbol: PAUIX									
Trade date: Feb 20, 13	6,212.806	11.090	68,901.92	68,901.92	8.390	52,125.44	-16,776.48		LT
Trade date: Dec 30, 13	1,570.661	9.909	15,565.25	15,565.25	8.390	13,177.85	-2,387.40		LT
Trade date: Mar 20, 14	308.523	9.849	3,038.95	3,038.95	8.390	2,588.51	-450.44		LT
Trade date: Jun 19, 14	362.150	10.359	3,751.87	3,751.87	8.390	3,038.44	-713.43		LT
Trade date: Sep 18, 14	344.969	10.050	3,466.94	3,466.94	8.390	2,894.29	-572.65		LT
Trade date: Dec 30, 14	1,468.649	9.120	13,394.08	13,394.08	8.390	12,321.97	-1,072.11		LT
Trade date: Mar 19, 15	139.766	9.020	1,260.69	1,260.69	8.390	1,172.64	-88.05		LT
Trade date: May 19, 15	2,388.267	9.296	22,203.00	22,203.00	8.390	20,037.56	-2,165.44		LT
Trade date: Jun 18, 15	218.478	9.010	1,968.49	1,968.49	8.390	1,833.03	-135.46		LT
Trade date: Jul 15, 15	2,346.980	8.946	20,998.00	20,998.00	8.390	19,691.16	-1,306.84		LT
Trade date: Sep 17, 15	262.226	8.189	2,147.63	2,147.63	8.390	2,200.08	52.45		LT
Trade date: Dec 17, 15	8,981.146	7.851	70,518.00	70,518.00	8.390	75,351.81	4,833.81		LT
Trade date: Dec 30, 15	751.376	7.639	5,740.51	5,740.51	8.390	6,304.04	563.53		LT
Trade date: Mar 17, 16	111.223	7.970	886.45	886.45	8.390	933.16	46.71		ST
Trade date: Apr 19, 16	6,053.939	8.252	49,961.00	49,961.00	8.390	50,792.55	831.55		ST
Trade date: May 26, 16	2,230.627	8.137	18,151.00	18,151.00	8.390	18,714.96	563.96		ST
Trade date: Jun 16, 16	144.061	8.089	1,165.45	1,165.45	8.390	1,208.67	43.22		ST
Total reinvested	952.149	8.383		7,981.94	8.390	7,988.53	6.59		

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Investment Account  
December 2016

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Your assets • Non-traditional • Mutual funds (continued)

Holding	Number of shares	Purchase price/ Average price per share (\$)	Client investment (\$)	Cost basis (\$)	Price per share on Dec 30 (\$)	Value on Dec 30 (\$)	Unrealized (tax) gain or loss (\$)	Investment return (\$)	Holding period
EAI: \$10,593 Current yield: 3.62%									
Security total	34,847.996	8.927	303,119.23	311,101.17		292,374.68	-18,726.48	-10,744.54	
RUSSELL STRATEGIC CALL OVERWRITING FUND CLASS S									
Symbol: ROWSX									
Trade date: Feb 20, 13	12,552.033	10.280	129,034.91	129,034.91	12.150	152,507.20	23,472.29		LT
Trade date: Dec 23, 13	63.194	11.020	696.40	696.40	12.150	767.81	71.41		LT
Trade date: Apr 2, 14	42.043	10.850	456.17	456.17	12.150	510.82	54.65		LT
Trade date: Jul 2, 14	54.747	10.910	597.29	597.29	12.150	665.18	67.89		LT
Trade date: Oct 2, 14	40.114	10.739	430.82	430.82	12.150	487.39	56.57		LT
Trade date: Nov 6, 14	415.896	10.820	4,500.00	4,500.00	12.150	5,053.14	553.14		LT
Trade date: Nov 17, 14	354.086	10.890	3,856.00	3,856.00	12.150	4,302.14	446.14		LT
Trade date: Dec 22, 14	45.470	10.879	494.71	494.71	12.150	552.46	57.75		LT
Trade date: Apr 2, 15	35.703	10.859	387.73	387.73	12.150	433.79	46.06		LT
Trade date: Jul 2, 15	36.609	11.119	407.09	407.09	12.150	444.80	37.71		LT
Trade date: Oct 2, 15	527.748	11.099	5,858.00	5,858.00	12.150	6,412.14	554.14		LT
Trade date: Oct 2, 15	33.424	11.100	371.01	371.01	12.150	406.10	35.09		LT
Trade date: Dec 21, 15	44.959	10.919	490.95	490.95	12.150	546.25	55.30		LT
Trade date: Apr 4, 16	37.717	11.180	421.68	421.68	12.150	458.26	36.58		ST
Trade date: Jul 5, 16	39.944	11.300	451.37	451.37	12.150	485.32	33.95		ST
Total reinvested	82.659	11.974		989.79	12.150	1,004.31	14.52		
EAI: \$1,873 Current yield: 1.07%									
Security total	14,406.346	10.373	148,454.13	149,443.92		175,037.10	25,593.19	26,582.98	
<b>Total</b>			<b>\$451,573.36</b>	<b>\$460,545.09</b>		<b>\$467,411.78</b>	<b>\$6,866.71</b>	<b>\$15,838.42</b>	
<b>Total estimated annual income: \$12,466</b>									





Investment Account  
December 2016

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Your assets (continued)

### Your total assets

		Value on Dec 30 (\$)	Percentage of your account	Cost basis (\$)	Estimated annual income (\$)	Unrealized gain or loss (\$)
<b>Cash</b>	<b>Cash and money balances</b>	<b>1,421,231.14</b>	<b>35.24%</b>	<b>1,421,231.14</b>		
<b>Equities</b>	Common stock	499.88		398.10	15.00	101.78
	Closed end funds & Exchange traded products	289,761.63		291,891.78	6,798.00	-2,130.15
	Mutual funds	414,142.51		445,593.44	10,570.00	-31,450.92
	<b>Total equities</b>	<b>704,404.02</b>	<b>17.46%</b>	<b>737,883.32</b>	<b>17,383.00</b>	<b>-33,479.29</b>
<b>Fixed income</b>	* Corporate bonds and notes	806,876.25		810,915.04	34,090.00	-5,051.64
	Closed end funds & Exchange traded products	183,870.10		184,036.33	622.00	-166.23
	Mutual funds	334,346.49		370,545.32	17,840.00	-36,198.85
	Government securities	107,634.95		110,644.00	1,987.00	-3,009.05
	Total accrued interest	7,519.24				
	<b>Total fixed income</b>	<b>1,440,247.03</b>	<b>35.71%</b>	<b>1,476,140.69</b>	<b>54,539.00</b>	<b>-44,425.77</b>
<b>Non-traditional</b>	Mutual funds	467,411.78	11.59%	460,545.09	12,466.00	6,866.71
<b>Total</b>		<b>\$4,033,293.97</b>	<b>100.00%</b>	<b>\$4,095,800.24</b>	<b>\$84,388.00</b>	<b>-\$71,038.35</b>

\* Missing cost basis information.

### Account activity this month

	Date	Activity	Description	Amount (\$)
<b>Deposits and other funds credited</b>	Dec 8	Fee Deposit	ANNUAL FEE	50.00
		<b>Total deposits and other funds credited</b>		<b>\$50.00</b>
<b>Dividend and interest income</b>				
<i>Dividends</i>	Dec 1	Dividend	PIMCO EMERGING MARKETS FULL SPECTRUM BOND FUND CLASS INSTL AS OF 11/30/16	899.48
	Dec 1	Dividend	PIMCO FDS HIGH YLD INSTIL FD AS OF 11/30/16	595.57
	Dec 7	Dividend	ISHARES SHORT TREAS BOND ETF PAID ON 1667	61.75
	Dec 20	Dividend	RUSSELL GLOBAL INFRASTRUCTURE S	806.06
	Dec 20	St Cap Gain	RUSSELL GLOBAL INFRASTRUCTURE S SHORT TERM CAPITAL GAIN	1,199.51

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