

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 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 2015 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>	
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 instructions); or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	▶ ☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>HORIZON TELCOM 401(K) PLAN</u>	1b Three-digit plan number (PN) ▶	<u>005</u>
	1c Effective date of plan	<u>09/01/1987</u>
2a 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) <u>HORIZON TELCOM</u> <u>P.O. BOX 480</u> <u>CHILLICOTHE, OH 45601</u>	2b Employer Identification Number (EIN) <u>31-1449037</u>	2c Plan Sponsor's telephone number <u>740-772-8200</u>
	2d Business code (see instructions) <u>517000</u>	

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.

SIGN HERE	Filed with authorized/valid electronic signature.	10/06/2016	SCOTT MOON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	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)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
4 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: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 191
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 135
a(2) Total number of active participants at the end of the plan year	6a(2) 135
b Retired or separated participants receiving benefits.....	6b 4
c Other retired or separated participants entitled to future benefits.....	6c 44
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 183
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 2
f Total. Add lines 6d and 6e	6f 185
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 178
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2S 2T 3D 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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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 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan HORIZON TELCOM 401(K) PLAN	B Three-digit plan number (PN) ▶	005
C Plan sponsor's name as shown on line 2a of Form 5500 HORIZON TELCOM	D Employer Identification Number (EIN) 31-1449037	

Part I	Service Provider Information (see instructions)
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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
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(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?
37 60 64 65	RECORDKEEPER	2250	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.
ABF LG CAP VAL INST - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266	0.04%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.
ABF SM CAP VAL INST - BOSTON FINAN P.O. BOX 8480 BOSTON, MA 02266	0.04%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.
ALZGI NFJ DIV VAL I - BOSTON FINAN 330 W. 9TH STREET KANSAS CITY, MO 66160	0.10%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
CONESTOGA SM CAP INV - MUTUAL SHAR 34-1896033	0.40%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
GLENMEDE SMCAP EQ IS - STATE STREE 04-0025081	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
INVS INTL GROWTH Y - INVESCO INVES 11 GREENWAY PLAZA, SUITE 100 HOUSTON, TX 77046	0.25%	

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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
OAKMARK INTL I - BOSTON FINANCIAL P.O. BOX 8480 BOSTON, MA 02266	0.35%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(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.	
TURNER MID CP GR IS - DST SYSTEMS 43-1581814	0.10%	
(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.	

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan HORIZON TELCOM 401(K) PLAN	B Three-digit plan number (PN) ►	005
C Plan sponsor's name as shown on line 2a of Form 5500 HORIZON TELCOM	D Employer Identification Number (EIN) 31-1449037	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a	0	0
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	0
	(2) Participant contributions	1b(2)	0	0
	(3) Other.....	1b(3)	0	0
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1856272	2299074
	(2) U.S. Government securities.....	1c(2)	0	0
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)	0	0
	(B) All other.....	1c(3)(B)	0	0
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	0	0
	(B) Common	1c(4)(B)	0	0
	(5) Partnership/joint venture interests	1c(5)	0	0
	(6) Real estate (other than employer real property)	1c(6)	0	0
	(7) Loans (other than to participants)	1c(7)	0	0
	(8) Participant loans	1c(8)	323975	313452
	(9) Value of interest in common/collective trusts.....	1c(9)	0	0
	(10) Value of interest in pooled separate accounts.....	1c(10)	0	0
	(11) Value of interest in master trust investment accounts	1c(11)	0	0
	(12) Value of interest in 103-12 investment entities	1c(12)	0	0
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	15992651	14381006
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	18172898	16993532

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	18172898	16993532
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	469740	
(B) Participants	2a(1)(B)	540273	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1010013

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	342	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	15329	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		15671
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	834418	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		834418
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-925726
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		934376

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2107231	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		2107231
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		2490
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	1771	
(4) Other	2i(4)	2250	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4021
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2113742

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1179366
l Transfers of assets:			
(1) To this plan	2l(1)		0
(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: SMITH & DEKAY, PS

(2) EIN: 91-1343765

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	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X		
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a 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. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>HORIZON TELCOM 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HORIZON TELCOM</u>	D Employer Identification Number (EIN) <u>31-1449037</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?.....	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?.....	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?.....	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

HORIZON TELCOM 401(K) PLAN

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT**

December 31, 2015 & 2014

C O N T E N T S

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Independent Auditors' Report

Plan Trustees
Horizon Telecom 401(k) Plan
Chillicothe, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Horizon Telecom 401(k) Plan, which comprise the statements of net assets available for benefits (modified cash basis) as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits (modified cash basis) for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions.

Independent Auditors' Report (continued)

Basis for Disclaimer of Opinion (continued)

The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2015 and 2014, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements and supplemental schedule are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

The supplemental schedule of assets (held at end of year)(modified cash basis) is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



SMITH & DeKAY PS
Bellevue, Washington
September 9, 2016

HORIZON TELCOM 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
December 31, 2015 & 2014

ASSETS	<u>2015</u>	<u>2014</u>
Investments, at fair-market value:		
Money market funds	\$ 2,299,074	\$ 1,856,272
Mutual funds	<u>14,381,006</u>	<u>15,992,651</u>
Total investments, at fair-market value	16,680,080	17,848,923
 Loans Receivable From Participants	 <u>313,452</u>	 <u>323,975</u>
 Net assets available for benefits	 <u>\$ 16,993,532</u>	 <u>\$ 18,172,898</u>

*See the accompanying independent auditor's
report and notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
Years Ended December 31, 2015 & 2014

	<u>2015</u>	<u>2014</u>
Additions To Net Assets Attributed To		
Investment income:		
Interest and dividends	\$ 834,760	\$ 1,354,243
Net appreciation (depreciation) in fair value of investments	<u>(925,726)</u>	<u>(262,992)</u>
Total investment income	(90,966)	1,091,251
Interest on loans receivable from participants	15,329	21,357
Contributions:		
Participant 401(k) salary deferral	540,273	579,480
Employer matching	275,158	301,262
Employer non-elective contributions	<u>194,582</u>	<u>207,642</u>
Total contributions	<u>1,010,013</u>	<u>1,088,384</u>
Total additions	934,376	2,200,992
Deductions From Net Assets Attributed To		
Benefits paid to participants	2,107,231	1,452,445
Deemed distributions of participant loans	2,490	-0-
Fees and commissions	<u>4,021</u>	<u>2,559</u>
Total deductions	<u>2,113,742</u>	<u>1,455,004</u>
Net Increase/(Decrease)	(1,179,366)	745,988
Net Assets Available For Benefits		
Beginning of year	<u>18,172,898</u>	<u>17,426,910</u>
End of year	<u>\$ 16,993,532</u>	<u>\$ 18,172,898</u>

*See the accompanying independent auditor's
report and notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 1 - Description of Plan

The following description of the *Horizon Telcom 401(K) Plan* provides only general information. Participants should refer to the plan agreement for a more complete description of the plan's provisions.

General

The Plan is a defined contribution plan covering all employees of *Horizon Chillicothe Telephone Company*. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan contains only participant directed investments.

Eligibility

Employees become eligible to participate in the Plan on the first entry date following their date of hire. Entry dates are the 1st of January, April, July and October.

Contributions

Contributions are from the following sources:

Voluntary Participant Contributions. Participants may elect to defer a portion of their eligible compensation and have that amount contributed to the Plan on their behalf by the Company in accordance with Section 401(K) of the Internal Revenue Code. The participants are permitted to modify their deferral election as of the first day of each month.

Employer Matching Contributions. The Company will make matching contributions for 100% of the first 3% and 50% of the next 2% of participant's eligible compensation.

Employer Non Elective Contributions. The Company will make contributions of 2% of active participant's eligible compensation, for the years ended December 31, 2015 and 2014.

Participant Rollover Contributions. Participants may also contribute amounts representing distributions from other qualified plans, a "rollover". Rollovers are placed in separate participant rollover accounts which are always 100% vested.

Roth Deferral Contributions. Participants are permitted to irrevocably designate a portion or all of the participant's eligible deferral contributions, as Roth deferral contributions.

Administration Costs

Investment transactions costs are netted against investment proceeds. All other administration costs are paid by the employer.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 1 - Description of Plan (Continued)

Investment Options

Upon enrollment in the Plan, a participant may direct contributions made on their behalf into various investment options offered by the Plan. The Plan currently offers over twenty Fidelity investment options for participants. Participants may change their salary deferral investment options monthly and may transfer balances at Fidelity Investments, daily.

Participant Accounts

Separate accounts are maintained for employee-deferred compensation, employer matching and participant rollover contributions, for each participant as applicable. Each participant's account is credited with the respective contributions, if applicable, and allocations of plan earnings (losses), and plan management fees. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's 100% vested account.

Vesting

Participants are immediately 100% vested in their voluntary and employer contributions plus allocated earnings thereon.

Forfeitures

Participants are 100% vested, accordingly there are no forfeitures.

Payment of Benefits

On termination of service or attainment of age 59½, a participant may elect to receive vested benefits in a single lump-sum distribution or in optional annuities according to plan limitations. In-service withdrawals before age 59½ are permitted in case of financial hardship, as defined by the Plan. "Hardship" withdrawals are available only to the extent that the participant has no other available resources to meet the financial needs, and the amount of withdrawal cannot exceed the amount needed.

Loans Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account, and as of December 31, 2015 and 2014, interest rates ranged from 4.25% to 6.75%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through monthly payroll deductions.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 1 - Description of Plan (Continued)

Income Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2012.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the modified cash basis of accounting. Under this method, contributions and realized investment earnings are recognized when received and expenses are recognized when paid. Unrealized changes in the market value of investments are recognized when the Plan is valued at the end of any period. Under accounting principles generally accepted in the United States of America, contributions and investment earnings would be recognized when earned and expenses would be recognized when the resources are used and a liability is incurred. Accordingly, the accompanying financial statements are not intended to present financial position in conformity with accounting principles generally accepted in the United States of America. The accounting for the valuation of investments would be the same under either method.

Investments

Investments are valued at fair market value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's board of trustees determines the Plan's valuation policies utilizing information provided by the investment advisors. Purchases and sales of securities are recorded on a trade-date basis. Interest income from investments is recorded on the modified cash basis. Dividends are recorded on the ex-dividend date.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 2 - Summary of Significant Accounting Policies (continued)

Loans Receivable From Participants

Loans receivable from participants are measured at their unpaid principal balance. Interest income is recorded when received. Related fees are charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of December 31, 2015 and 2014, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced and the delinquent participant loan receivable is recorded as a benefit payment based on the terms of the Plan document.

Payment of Benefits

Benefits to participants are recorded when paid.

Estimates

The preparation of financial statements in conformity with the modified basis of accounting requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

The plan trustees are not aware of any subsequent events requiring disclosure or adjustments in the financial statements as of September 9, 2016, the date the financial statements were available to be issued.

Note 3 – Accounting Changes

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient*. Parts I and III are not applicable to the Plan. Part II eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Part II also simplifies the level of disaggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 3 – Accounting Changes (Continued)

The ASU is effective for fiscal years beginning after December 15, 2015, with early adoption permitted. Part II is to be applied retrospectively. Management has elected to adopt Part II early. Therefore, certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Note 4 - Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

Level 1 - Unadjusted quoted prices in active markets for identical assets. These assets include investments in money market and mutual funds. The fair value of money market funds is based on the closing price reported by the fund sponsor from an actively traded exchange. The fair value of mutual funds is based on quoted net asset values of the shares held by the Plan at year-end.

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The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2015 and 2014.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 4 - Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the plan's fair value measurements at December 31, 2015 and 2014:

<u>Fair Value Measurements at Reporting Date Using:</u>				
	<u>Total</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<u>December 31, 2015</u>				
Money market funds	\$ 2,299,074	\$ 2,299,074	\$ -	\$ -
Mutual funds	<u>14,381,006</u>	<u>14,381,006</u>	<u>-</u>	<u>-</u>
Investments at fair value	<u>\$ 16,680,080</u>	<u>\$ 16,680,080</u>	<u>\$ -</u>	<u>\$ -</u>
 <u>December 31, 2014</u>				
Money market funds	\$ 1,856,272	\$ 1,856,272	\$ -	\$ -
Mutual funds	<u>15,992,651</u>	<u>15,992,651</u>	<u>-</u>	<u>-</u>
Investments at fair value	<u>\$ 17,848,923</u>	<u>\$ 17,848,923</u>	<u>\$ -</u>	<u>\$ -</u>

Gains and losses included in changes in net assets available for benefits for the years ended December 31, 2015 and 2014, are reported in net appreciation (depreciation) in fair value of investments.

The Plan's policy is to recognize transfers between Levels 1 and 2 and into and out of Level 3 as of the date of the event or change in circumstances that caused the transfer. For the year ended December 31, 2015, there were no significant transfers between Levels 1 and 2 and no transfers into or out of Level 3.

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Although the Company has not expressed intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 6 - Party-in-Interest Transactions

The Plan has a number of service providers. Such parties are parties-in-interest under ERISA. All transactions were exempt from the prohibited transaction rules of ERISA.

The Plan utilizes a third-party administrator and custodian, Fidelity Management Trust Company (Fidelity). Fidelity provides investment management and custodial services to the plan. Transactions with Fidelity qualify as party-in-interest transactions. Indirect management fees are charged as a percentage of assets under management and range from .04% to .40%. In addition, as of December 31, 2015 & 2014, the Plan held \$15,007,801 and \$14,654,752 in Fidelity money market and mutual funds, which are publicly traded.

Note 7 – Risks and Uncertainties

The Plan provides for investments in numerous investment options. Investments, in general, are exposed to risk, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment options, it is at least reasonably possible that changes in the values of investment options will occur in the near term. Such changes could materially affect the amounts reported in the statements of net assets available for benefits.

Note 8 - Information Certified by Plan Custodian

The following information in the financial statements and supplemental schedules was certified to be complete and accurate by Fidelity Management Trust Company, the custodian of the plan, within the meaning of 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA:

Amounts included as investments in the Statements of Net Assets Available for Benefits at December 31, 2015 and 2014 and Supplemental Information at December 31, 2015.

Investment income included in the Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2015 and 2014.

Note 9 - Plan Amendments

The Plan was amended and restated as of August 10, 2015 in order to remain in compliance with applicable tax law changes and to update the Plan for the Pension Protection Act.

* * * * *

SUPPLEMENTARY INFORMATION

HORIZON TELCOM 401(K) PLAN
SCHEDULE OF ASSETS (HELD AT END OF YEAR) (MODIFIED CASH BASIS)
December 31, 2015

Form 5500, Schedule H, Part IV, Line 4i

EIN: 31-1449037

Plan Number: 005

(a)	(b) Identity of Issuer/ (c) Description of Investment	(e) Current Value
	Investco International Growth Y	\$ 256,609
	Oakmark International I	315,367
	Glenmede Small Cap Equity Adv	96,638
	Allianz NFJ Val Inst	791,157
	ABF Small Cap Value Inst	24,552
	ABF Large Cap Value Inst	187,957
*	Fidelity Puritan	441,475
*	Fidelity Contra Fund	400,920
*	Fidelity Growth Company	1,037,843
*	Fidelity Investment Grade Bond	543,502
*	Fidelity Capital & Income	367,788
*	Fidelity Real Estate	311,096
*	Fidelity Low Priced Stock	484,932
*	Fidelity Worldwide	417,628
*	Fidelity Mid Cap Stock	1,787,200
*	Fidelity Large Cap Stock	1,863,448
*	Fidelity Freedom Income	76,950
*	Fidelity Freedom 2010	836,067
*	Fidelity Freedom 2020	1,421,389
*	Fidelity Freedom 2030	1,181,549
*	Fidelity US Treasury Money Market	622,781
*	Fidelity Retirement Money Market	1,676,293
*	Fidelity Freedom 2040	813,636
*	Fidelity Freedom 2015	122,177
*	Fidelity Freedom 2025	82,043

*See the accompanying independent auditors'
report and the notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN
SCHEDULE OF ASSETS (HELD AT END OF YEAR) (MODIFIED CASH BASIS)
December 31, 2015

Form 5500, Schedule H, Part IV, Line 4i

EIN: 31-1449037

Plan Number: 005

(a)	(b) Identity of Issuer/ (c) Description of Investment	(e) Current Value
*	Fidelity Freedom 2035	198,620
*	Spartan 500 Index	104,335
*	Fidelity Freedom 2045	112,742
*	Fidelity Freedom 2050	52,514
*	Spartan U.S. Bond Index	27,422
*	Fidelity Freedom 2055	23,449
	Value of interest in registered investment companies	16,680,080
*	Loans Receivable From Participants, 4.25% - 6.75%	313,452
	Net Assets Available for Plan Benefits	\$ 16,993,532

* Denotes Party in Interest

*See the accompanying independent auditors'
report and the notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN

**FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITORS' REPORT**

December 31, 2015 & 2014

C O N T E N T S

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Statements of Changes in Net Assets Available for Benefits (Modified Cash Basis)	4
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Independent Auditors' Report

Plan Trustees

Horizon Telecom 401(k) Plan

Chillicothe, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Horizon Telecom 401(k) Plan, which comprise the statements of net assets available for benefits (modified cash basis) as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits (modified cash basis) for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note 2; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions.

Independent Auditors' Report (continued)

Basis for Disclaimer of Opinion (continued)

The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2015 and 2014, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Basis of Accounting

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements and supplemental schedule are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matter

The supplemental schedule of assets (held at end of year)(modified cash basis) is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



SMITH & DeKAY PS
Bellevue, Washington
September 9, 2016

HORIZON TELCOM 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
December 31, 2015 & 2014

	ASSETS	<u>2015</u>	<u>2014</u>
Investments, at fair-market value:			
Money market funds		\$ 2,299,074	\$ 1,856,272
Mutual funds		<u>14,381,006</u>	<u>15,992,651</u>
Total investments, at fair-market value		16,680,080	17,848,923
 Loans Receivable From Participants		 <u>313,452</u>	 <u>323,975</u>
 Net assets available for benefits		 <u>\$ 16,993,532</u>	 <u>\$ 18,172,898</u>

*See the accompanying independent auditor's
report and notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(MODIFIED CASH BASIS)
Years Ended December 31, 2015 & 2014

	<u>2015</u>	<u>2014</u>
Additions To Net Assets Attributed To		
Investment income:		
Interest and dividends	\$ 834,760	\$ 1,354,243
Net appreciation (depreciation) in fair value of investments	<u>(925,726)</u>	<u>(262,992)</u>
Total investment income	(90,966)	1,091,251
Interest on loans receivable from participants	15,329	21,357
Contributions:		
Participant 401(k) salary deferral	540,273	579,480
Employer matching	275,158	301,262
Employer non-elective contributions	<u>194,582</u>	<u>207,642</u>
Total contributions	<u>1,010,013</u>	<u>1,088,384</u>
Total additions	934,376	2,200,992
Deductions From Net Assets Attributed To		
Benefits paid to participants	2,107,231	1,452,445
Deemed distributions of participant loans	2,490	-0-
Fees and commissions	<u>4,021</u>	<u>2,559</u>
Total deductions	<u>2,113,742</u>	<u>1,455,004</u>
Net Increase/(Decrease)	(1,179,366)	745,988
Net Assets Available For Benefits		
Beginning of year	<u>18,172,898</u>	<u>17,426,910</u>
End of year	<u>\$ 16,993,532</u>	<u>\$ 18,172,898</u>

*See the accompanying independent auditor's
report and notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 1 - Description of Plan

The following description of the *Horizon Telcom 401(K) Plan* provides only general information. Participants should refer to the plan agreement for a more complete description of the plan's provisions.

General

The Plan is a defined contribution plan covering all employees of *Horizon Chillicothe Telephone Company*. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan contains only participant directed investments.

Eligibility

Employees become eligible to participate in the Plan on the first entry date following their date of hire. Entry dates are the 1st of January, April, July and October.

Contributions

Contributions are from the following sources:

Voluntary Participant Contributions. Participants may elect to defer a portion of their eligible compensation and have that amount contributed to the Plan on their behalf by the Company in accordance with Section 401(K) of the Internal Revenue Code. The participants are permitted to modify their deferral election as of the first day of each month.

Employer Matching Contributions. The Company will make matching contributions for 100% of the first 3% and 50% of the next 2% of participant's eligible compensation.

Employer Non Elective Contributions. The Company will make contributions of 2% of active participant's eligible compensation, for the years ended December 31, 2015 and 2014.

Participant Rollover Contributions. Participants may also contribute amounts representing distributions from other qualified plans, a "rollover". Rollovers are placed in separate participant rollover accounts which are always 100% vested.

Roth Deferral Contributions. Participants are permitted to irrevocably designate a portion or all of the participant's eligible deferral contributions, as Roth deferral contributions.

Administration Costs

Investment transactions costs are netted against investment proceeds. All other administration costs are paid by the employer.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 1 - Description of Plan (Continued)

Investment Options

Upon enrollment in the Plan, a participant may direct contributions made on their behalf into various investment options offered by the Plan. The Plan currently offers over twenty Fidelity investment options for participants. Participants may change their salary deferral investment options monthly and may transfer balances at Fidelity Investments, daily.

Participant Accounts

Separate accounts are maintained for employee-deferred compensation, employer matching and participant rollover contributions, for each participant as applicable. Each participant's account is credited with the respective contributions, if applicable, and allocations of plan earnings (losses), and plan management fees. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's 100% vested account.

Vesting

Participants are immediately 100% vested in their voluntary and employer contributions plus allocated earnings thereon.

Forfeitures

Participants are 100% vested, accordingly there are no forfeitures.

Payment of Benefits

On termination of service or attainment of age 59½, a participant may elect to receive vested benefits in a single lump-sum distribution or in optional annuities according to plan limitations. In-service withdrawals before age 59½ are permitted in case of financial hardship, as defined by the Plan. "Hardship" withdrawals are available only to the extent that the participant has no other available resources to meet the financial needs, and the amount of withdrawal cannot exceed the amount needed.

Loans Receivable From Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account, and as of December 31, 2015 and 2014, interest rates ranged from 4.25% to 6.75%, which are commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest is paid ratably through monthly payroll deductions.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 1 - Description of Plan (Continued)

Income Tax Status

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated March 31, 2014, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and therefore believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability for any uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by tax authorities; however, there are currently no audits for any tax periods in progress. The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2012.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements are prepared on the modified cash basis of accounting. Under this method, contributions and realized investment earnings are recognized when received and expenses are recognized when paid. Unrealized changes in the market value of investments are recognized when the Plan is valued at the end of any period. Under accounting principles generally accepted in the United States of America, contributions and investment earnings would be recognized when earned and expenses would be recognized when the resources are used and a liability is incurred. Accordingly, the accompanying financial statements are not intended to present financial position in conformity with accounting principles generally accepted in the United States of America. The accounting for the valuation of investments would be the same under either method.

Investments

Investments are valued at fair market value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's board of trustees determines the Plan's valuation policies utilizing information provided by the investment advisors. Purchases and sales of securities are recorded on a trade-date basis. Interest income from investments is recorded on the modified cash basis. Dividends are recorded on the ex-dividend date.

HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

Note 2 - Summary of Significant Accounting Policies (continued)

Loans Receivable From Participants

Loans receivable from participants are measured at their unpaid principal balance. Interest income is recorded when received. Related fees are charged directly to the borrowing participant's account and are included in administrative expenses when incurred. As of December 31, 2015 and 2014, no allowance for credit losses has been recorded. If a participant does not make loan repayments and the plan administrator considers the participant loan to be in default, the loan balance is reduced and the delinquent participant loan receivable is recorded as a benefit payment based on the terms of the Plan document.

Payment of Benefits

Benefits to participants are recorded when paid.

Estimates

The preparation of financial statements in conformity with the modified basis of accounting requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Subsequent Events

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HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

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HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

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Mutual funds	<u>14,381,006</u>	<u>14,381,006</u>	<u>-</u>	<u>-</u>
Investments at fair value	<u>\$ 16,680,080</u>	<u>\$ 16,680,080</u>	<u>\$ -</u>	<u>\$ -</u>
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Money market funds	\$ 1,856,272	\$ 1,856,272	\$ -	\$ -
Mutual funds	<u>15,992,651</u>	<u>15,992,651</u>	<u>-</u>	<u>-</u>
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HORIZON TELCOM 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2015 & 2014

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* * * * *

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SCHEDULE OF ASSETS (HELD AT END OF YEAR) (MODIFIED CASH BASIS)
December 31, 2015

Form 5500, Schedule H, Part IV, Line 4i

EIN: 31-1449037

Plan Number: 005

(a)	(b) Identity of Issuer/ (c) Description of Investment	(e) Current Value
	Investco International Growth Y	\$ 256,609
	Oakmark International I	315,367
	Glenmede Small Cap Equity Adv	96,638
	Allianz NFJ Val Inst	791,157
	ABF Small Cap Value Inst	24,552
	ABF Large Cap Value Inst	187,957
*	Fidelity Puritan	441,475
*	Fidelity Contra Fund	400,920
*	Fidelity Growth Company	1,037,843
*	Fidelity Investment Grade Bond	543,502
*	Fidelity Capital & Income	367,788
*	Fidelity Real Estate	311,096
*	Fidelity Low Priced Stock	484,932
*	Fidelity Worldwide	417,628
*	Fidelity Mid Cap Stock	1,787,200
*	Fidelity Large Cap Stock	1,863,448
*	Fidelity Freedom Income	76,950
*	Fidelity Freedom 2010	836,067
*	Fidelity Freedom 2020	1,421,389
*	Fidelity Freedom 2030	1,181,549
*	Fidelity US Treasury Money Market	622,781
*	Fidelity Retirement Money Market	1,676,293
*	Fidelity Freedom 2040	813,636
*	Fidelity Freedom 2015	122,177
*	Fidelity Freedom 2025	82,043

*See the accompanying independent auditors'
report and the notes to the financial statements.*

HORIZON TELCOM 401(K) PLAN
SCHEDULE OF ASSETS (HELD AT END OF YEAR) (MODIFIED CASH BASIS)
December 31, 2015

Form 5500, Schedule H, Part IV, Line 4i

EIN: 31-1449037

Plan Number: 005

(a)	(b) Identity of Issuer/ (c) Description of Investment	(e) Current Value
*	Fidelity Freedom 2035	198,620
*	Spartan 500 Index	104,335
*	Fidelity Freedom 2045	112,742
*	Fidelity Freedom 2050	52,514
*	Spartan U.S. Bond Index	27,422
*	Fidelity Freedom 2055	23,449
	Value of interest in registered investment companies	16,680,080
*	Loans Receivable From Participants, 4.25% - 6.75%	313,452
	Net Assets Available for Plan Benefits	\$ 16,993,532

* Denotes Party in Interest

*See the accompanying independent auditors'
report and the notes to the financial statements.*