

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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt; font-weight: bold;">2017</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>10/01/2017</u> and ending <u>09/30/2018</u>	
A	This return/report is for: <div style="display: flex; justify-content: space-between;"> <div> ☐ a multiemployer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div>
	☒ a single-employer plan <div style="margin-left: 150px;">☐ a DFE (specify) _____</div>
B	This return/report is: <div style="display: flex; justify-content: space-between;"> <div> ☐ the first return/report ☐ an amended return/report </div> <div> ☐ the final return/report ☐ a short plan year return/report (less than 12 months) </div> </div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div style="display: flex; justify-content: space-between;"> <div> ☒ Form 5558 ☐ special extension (enter description) </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div>

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>PARK NATIONAL CORPORATION DEFINED BENEFIT PENSION PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>10/01/1960</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>PARK NATIONAL CORPORATION</u> <u>51 NORTH THIRD STREET</u> <u>NEWARK, OH 43055</u>	2b	Employer Identification Number (EIN) <u>31-1179518</u>
		2c	Plan Sponsor's telephone number <u>740-349-3750</u>
		2d	Business code (see instructions) <u>522110</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.	06/27/2019	LAURA LEWIS
	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

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

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 2281
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) 1510
a(2) Total number of active participants at the end of the plan year	6a(2) 1444
b Retired or separated participants receiving benefits	6b 238
c Other retired or separated participants entitled to future benefits	6c 492
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 2174
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 44
f Total. Add lines 6d and 6e	6f 2218
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 102
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:

1A

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
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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)** ☐ 0 **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)

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 2017 Form M-1 annual report. If the plan was not required to file the 2017 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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
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For calendar plan year 2017 or fiscal plan year beginning 10/01/2017 and ending 09/30/2018

▶ **Round off amounts to nearest dollar.**
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>PARK NATIONAL CORPORATION DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>PARK NATIONAL CORPORATION</u>	D Employer Identification Number (EIN) <u>31-1179518</u>

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500
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Part I	Basic Information
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1 Enter the valuation date: Month <u>10</u> Day <u>01</u> Year <u>2017</u>			
2 Assets:			
a Market value	2a	<u>174471713</u>	
b Actuarial value	2b	<u>163808141</u>	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>265</u>	<u>14760188</u>	<u>14760188</u>
b For terminated vested participants	<u>506</u>	<u>14648471</u>	<u>14648471</u>
c For active participants	<u>1510</u>	<u>49259369</u>	<u>51029371</u>
d Total	<u>2281</u>	<u>78668028</u>	<u>80438030</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	<u>6.03 %</u>	
6 Target normal cost	6	<u>4561997</u>	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
<u>LORI A. DEVORE</u>	Signature of actuary	<u>06/05/2019</u>
<u>AON CONSULTING, INC.</u>	Type or print name of actuary	Date
<u>445 HUTCHINSON AVENUE, SUITE 900</u>	Firm name	<u>17-05257</u>
<u>COLUMBUS, OH 43235-8619</u>	Address of the firm	Most recent enrollment number
		<u>614-436-8100</u>
		Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	94266490
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	6138494
9 Amount remaining (line 7 minus line 8)	0	88127996
10 Interest on line 9 using prior year's actual return of <u>13.72</u> %	0	12091161
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.21</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	761441
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	99457716

Part III Funding Percentages

14 Funding target attainment percentage	14	80.00%
15 Adjusted funding target attainment percentage	15	203.64%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	85.16%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/21/2017	15000000	0			
Totals ▶			18(b)	15000000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	14806355

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	4561997	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	9751991		1878604
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	6440601	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	6440601	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	14806355	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	8365754	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years	☐ 15 years	
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008	☐ 2009	☐ 2010 ☐ 2011
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 2017 This Form is Open to Public Inspection
For calendar plan year 2017 or fiscal plan year beginning <u>10/01/2017</u> and ending <u>09/30/2018</u>		
A Name of plan <u>PARK NATIONAL CORPORATION DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PARK NATIONAL CORPORATION</u>	D Employer Identification Number (EIN) <u>31-1179518</u>	

Part I Asset and Liability Statement			
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) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	352722	385810
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	5999078	5452675
(2) U.S. Government securities.....	1c(2)	8396704	6752650
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	10962032	18172946
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	126793718	129737757
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	21967459	40565642
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	174471713	201067480

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
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	174471713	201067480
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	15000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		15000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	33333	
(B) U.S. Government securities	2b(1)(B)	109800	
(C) Corporate debt instruments	2b(1)(C)	402114	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		545247
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	3446003	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	809063	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		4255066
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	59259077	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	58750307	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		508770
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	12665382	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		12665382

		(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)		1440802
c Other income	2c		6035
d Total income. Add all income amounts in column (b) and enter total.....	2d		34421302

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	7825535	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		7825535
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		7825535

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		26595767
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: CROWE LLP

(2) EIN: 35-0921680

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:

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.).....

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.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	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		20000000
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.)			
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.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4120951. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2017</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2017 or fiscal plan year beginning 10/01/2017 and ending 09/30/2018		
A Name of plan PARK NATIONAL CORPORATION DEFINED BENEFIT PENSION PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 PARK NATIONAL CORPORATION		D Employer Identification Number (EIN) 31-1179518
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 0
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): 73-1721841		
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 53
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	
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		
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, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2017 v. 170203		

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: <u>83.0</u> % Investment-Grade Debt: <u>14.0</u> % High-Yield Debt: <u>0.0</u> % Real Estate: <u>2.0</u> % Other: <u>1.0</u> %	
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):	

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

Park National Corporation
Defined Benefit Pension Plan
Years Ended September 30, 2018 and 2017
With Independent Auditor's Report

Park National Corporation
Defined Benefit Pension Plan

Financial Statements and Supplemental Schedules

Years Ended September 30, 2018 and 2017

Contents

Independent Auditor's Report	1
Audited Financial Statements	
Statements of Net Assets Available for Benefits	<u>3</u>
Statements of Changes in Net Assets Available for Benefits	<u>4</u>
Notes to Financial Statements	<u>5</u>
Supplemental Schedules	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	<u>16</u>
Schedule H, Line 4j – Schedule of Reportable Transactions	<u>22</u>

INDEPENDENT AUDITOR'S REPORT

The Executive Committee of the Board of Directors of Park National Corporation
Plan Administrator of Park National Corporation Defined Benefit Pension Plan
Newark, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Park National Corporation Defined Benefit Pension Plan (Plan), which comprise the statements of net assets available for benefits as of September 30, 2018 and 2017, and the related statements of changes in net assets available for benefits 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 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 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 4, which was certified by Park National Bank, the trustee of the Plan, except for comparing such 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. The plan administrator has obtained certification from the trustee as of September 30, 2018 and 2017 and for the years then ended that the information provided to the plan administrator by the trustee is complete and accurate.

(Continued)

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.

Other Matter

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4j – Schedule of Reportable Transactions as of September 30, 2018 and for the year then ended are 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 purposes 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.

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.

A handwritten signature in black ink that reads "Crowe LLP". The word "Crowe" is written in a cursive script, and "LLP" is written in a bold, sans-serif font.

Crowe LLP

Columbus, Ohio
June 19, 2019

Park National Corporation
Defined Benefit Pension Plan
Statements of Net Assets Available for Benefits
September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments, at fair value based on quoted market prices:		
Mutual funds	\$ 40,565,642	\$ 21,967,459
Common stocks	129,737,757	126,793,718
Investments, at estimated fair value:		
Interest-bearing accounts	5,452,675	5,999,078
United States government securities and agencies	6,752,650	8,396,704
Corporate and other government bonds and notes	<u>18,172,946</u>	<u>10,962,032</u>
Total investments	200,681,670	174,118,991
Accrued Income	<u>385,810</u>	<u>352,722</u>
TOTAL ASSETS	<u><u>\$ 201,067,480</u></u>	<u><u>\$ 174,471,713</u></u>
 NET ASSETS AVAILABLE FOR BENEFITS	 <u><u>\$ 201,067,480</u></u>	 <u><u>\$ 174,471,713</u></u>

Park National Corporation
Defined Benefit Pension Plan
Statements of Changes in Net Assets Available for Benefits
For the years ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Additions to net assets attributed to:		
Employer contributions	\$ 15,000,000	\$ —
Interest and dividends	4,806,348	4,451,794
Total additions to net assets	<u>19,806,348</u>	<u>4,451,794</u>
Deductions from net assets attributed to:		
Benefits paid to participants	7,825,535	7,493,207
Administrative expenses	—	400
Total deductions to net assets	<u>7,825,535</u>	<u>7,493,607</u>
Net realized and unrealized appreciation of fair values of investments	14,614,954	17,065,456
Net increase in net assets available for benefits	<u>26,595,767</u>	<u>14,023,643</u>
Net assets available for benefits at beginning of year	<u>174,471,713</u>	<u>160,448,070</u>
Net assets available for benefits at end of year	<u><u>\$ 201,067,480</u></u>	<u><u>\$ 174,471,713</u></u>

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

1. Description of the Plan

The following brief description of Park National Corporation Defined Benefit Pension Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Summary Plan description for more complete information.

General

The Plan is a defined benefit, non-contributory pension plan covering substantially all employees of Park National Corporation and its subsidiary bank (collectively, “Park”). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Pension Benefits

Associates age 21 or over with a year of employment and working 1000 hours each pension plan year, accrue a pension benefit. There is a 5-year vesting period in order to receive future payment. The benefit will generally be equal to 29% of average monthly compensation, plus 16% of average monthly compensation in excess of one-twelfth of covered compensation at normal retirement age (65). Benefit payment options include joint and survivor annuities or a one-time lump sum payment.

Early retirement benefits may be paid to vested, terminated associates age 55-64 with at least 10 years of service. However, if early retirement is elected, the benefit is reduced to reflect that the benefit payment precedes the normal retirement date.

Associates who work beyond age 65 may elect to receive or delay their benefit until retirement.

Termination Benefit

Upon termination of employment, vested participants are entitled to receive an accrued benefit, which may be paid out in a lump sum if the accrued value is \$15,000 or less, regardless of age at the time of termination.

Disability and Death Benefit

If a participant should become disabled, he or she would be entitled to 100% of the accrued benefit without regard to the aforementioned vesting schedule.

If a participant should die with a vested accrued benefit, the death benefit shall be a Qualified Pre-Retirement Survivor Annuity.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

Funding Policy

Park makes periodic contributions sufficient to provide the Plan with assets with which to pay all accrued vested benefits at normal or early retirement ages. The contribution is based on an actuarial computation specified by ERISA and determined under IRC section 430(a). The minimum contribution is determined as of the beginning of the plan year and is equal to the sum of the target normal cost for the plan year and the shortfall amortization charge for the plan year, less any credit for excess assets for the plan year. For the years ended September 30, 2018 and 2017, the Plan has met the minimum funding requirements of ERISA.

Plan Termination

Park has the right to amend, discontinue, or freeze the Plan at any time, subject to the provisions set forth in ERISA. If the Plan should terminate at some future time, its assets generally will be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation ("PBGC") at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC's benefit guaranty, while other benefits may not be provided for at all. However, if Park terminates the Plan, all participants become fully vested. There are no plans to discontinue or freeze the Plan in the foreseeable future.

Investment Policy

The investment policy, determined by the Plan trustee, conforms to the trust agreement. The Park National Bank Trust Department manages the Plan assets and is the trustee of the Plan.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Plan are prepared on the accrual basis of accounting applied consistently with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. It is at least reasonably possible that a significant change may occur in the near future for the estimates of the actuarial present value of accumulated plan benefits.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

Benefit Payments

Benefits are recorded when paid.

Valuation of Investments

The Plan's investments are reported at fair value. Refer to Note 10 – Fair Values for additional details. Purchases and sales of securities are recorded on a trade-date basis.

Investment Income

Dividends are recorded as of their ex-dividend date. Interest income is recorded on an accrual basis when earned. Net appreciation (depreciation) includes the Plan's gains (losses) on investments bought and sold as well as held during the year.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 3) are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service that employees have rendered to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on their average monthly compensation during the five consecutive calendar years in which the participant had the highest annual compensation during the participant's last ten years of employment. Benefits payable under all circumstances such as retirement, death, and termination of employment are included to the extent they are deemed attributable to employee service rendered prior to the valuation date.

Subsequent Events

Park has evaluated subsequent events for recognition or disclosure in the Plan's financial statements through June 19, 2019, which is the date the financial statements were available to be issued. Except as disclosed in Note 11, there are no events that require additional disclosure in these financial statements.

3. Accumulated Plan Benefits

The Plan's actuary, AON Hewitt, determines the actuarial present value of accumulated plan benefits. This amount is computed by applying actuarial assumptions to adjust the accumulated plan benefits earned by participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements for events such as death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

The accumulated plan benefit information as of the beginning of the Plan year is as follows:

Actuarial present value of accumulated plan benefits:

	September 30, <u>2017</u>
Vested benefits	
Participants currently receiving payments	\$ 13,786,803
Other vested benefits	55,503,756
Total vested benefits	<u>69,290,559</u>
Non-vested benefits	<u>2,107,681</u>
Total actuarial present value of accumulated plan benefits	<u><u>\$ 71,398,240</u></u>

Change in present value of accumulated plan benefits:

	Year Ended <u>September 30, 2017</u>
Present value of accumulated plan benefits for the prior year	\$ 65,761,108
Increase attributable to:	
Benefits accumulated (including actuarial losses)	6,507,301
Benefits paid	(7,493,207)
Change in actuarial assumptions	2,122,234
Interest	4,500,804
Net increase in present value	<u>5,637,132</u>
Total actuarial present value of accumulated plan benefits	<u><u>\$ 71,398,240</u></u>

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

Significant assumptions underlying the actuarial computations for both 2017 and 2016 are:

Expected return on plan assets	7.00% for 2017 and 7.25% for 2016
Mortality	For 2017, RP-2014 mortality table for annuitants and non-annuitants with the MP-2017 mortality improvement scale. For 2016, RP-2014 mortality table for annuitants and non-annuitants with the MP-2016 mortality improvement scale.
Retirement age	Retirement age ranging from age 55 to 70 as of September 30, 2017 and September 30, 2016

The actuarial assumptions are based on the presumption that the Plan will continue. If the Plan is terminated, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The \$2,122,234 change in actuarial assumptions above is primarily due to a change in the mortality improvement scale assumption from scale MP-2016 to scale MP-2017 and a change in the long term expected rate of return on plan assets from 7.25% for 2016 to 7.00% for 2017.

4. Investments - Unaudited Information

The Plan's investments are held in trust by Park National Bank, the trustee, which is a wholly owned subsidiary of Park National Corporation. All investment information disclosed in the financial statements including investments held at September 30, 2018 and 2017, and net appreciation/ (depreciation) in fair value of investments and dividend and interest income for the years ended September 30, 2018 and 2017, were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee. This information was not audited by independent accountants.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

5. Income Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated November 4, 2014, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the “Code”) and, therefore, the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The Plan has been amended since receiving the determination letter. However, Plan management believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of September 30, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing authorities; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2015.

6. Administrative Fees

Substantially all administrative fees of the Plan are borne by Park. These charges are principally for insurance premiums to the PBGC, actuarial fees, accounting fees, trustee fees and other administrative expenses of the Plan. Investment management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of the investment return for such investments.

7. Party-in-Interest Transactions

Parties-in-interest are defined under Department of Labor Regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. During the Plan years ended September 30, 2018 and 2017, the Plan held an interest-bearing account issued by The Park National Bank, an affiliate of Park National Corporation with fair value of \$595,732 and \$1,912,474, respectively. For the years ended September 30, 2018 and 2017, the interest-bearing account earned interest of \$33,333 and \$5,243, respectively. Additionally, the Plan owned shares of Park National Corporation at September 30, 2018 and 2017, with a fair value of \$12,223,848 and \$12,505,242, respectively. For the years ended September 30, 2018 and 2017, cash dividends of \$468,990 and \$435,408, respectively, were paid to the Plan by Park National Corporation.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

8. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, liquidity 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 the amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates; certain employee-related factors, such as turnover, retirement age and mortality; the expected return on assets in the Plan; and the rate of salary increases, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

9. September 30, 2018 Actuarial Valuation (Unaudited)

The September 30, 2018 actuarial valuation was completed prior to the release of the financial statements. A summary of the actuarial valuation information provided by the plan's actuary which has not been audited by independent accountants, is provided below for informational purposes.

The actuarial present value of accumulated plan benefits as of September 30, 2018 is as follows:

Actuarial present value of accumulated plan benefits:

	September 30, <u>2018</u>
Vested benefits	
Participants currently receiving payments	\$ 14,064,718
Other vested benefits	59,093,923
Total vested benefits	<u>73,158,641</u>
Non-vested benefits	<u>2,349,232</u>
Total actuarial present value of accumulated plan benefits	<u><u>\$ 75,507,873</u></u>

The change in actuarial present value of accumulated plan benefits for the year ended September 30, 2018 consists of the following:

Present value of accumulated plan benefits for the prior year	\$ 71,398,240
Increase attributable to:	
Benefits accumulated (including actuarial losses)	6,064,174
Benefits paid	(7,825,535)
Change in actuarial assumptions	1,142,379
Interest	4,728,615
Net increase in present value	<u>4,109,633</u>
Total actuarial present value of accumulated plan benefits	<u><u>\$ 75,507,873</u></u>

The \$1,142,379 change in actuarial assumptions above is primarily due to a change in the mortality improvement scale assumption from scale MP-2017 to scale MP-2018 and a change in the mortality assumption for lump sum payments from the 2017 plan year IRC section 417(e)(3) mortality table to the 2018 plan year IRC section 417(e)(3) mortality table.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

10. Fair Values

GAAP defines fair value as the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. GAAP establishes a fair value hierarchy which requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (level 1 measurements) and gives the lowest priority to unobservable inputs (level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The fair values of equity securities, consisting of mutual fund investments and common stock held by the Plan, are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs). Additionally, due to their short-term nature, the fair value of interest-bearing demand deposits is determined by reference to their face value (Level 1 inputs). Interest bearing time deposits, United States Government agency obligations and corporate bonds are valued by the trustee based on yields available on comparable securities of issuers with similar credit ratings as of the end of the Plan year (Level 2 inputs).

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

The table below provides a listing of investments by type at September 30, 2018:

	Fair Value Measurements at September 30, 2018, Using	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Interest-bearing account	\$ 595,732	\$ 4,856,943
Mutual funds	40,565,642	—
U.S. Government agency obligations	—	6,752,650
Corporate bonds	—	18,172,946
Common stocks	129,737,757	—
	<u>\$ 170,899,131</u>	<u>\$ 29,782,539</u>

The table below provides a listing of investments by type at September 30, 2017:

	Fair Value Measurements at September 30, 2017, Using	
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Interest-bearing account	\$ 1,912,474	\$ 4,086,604
Mutual funds	21,967,459	—
U.S. Government agency obligations	—	8,396,704
Corporate bonds	—	10,962,032
Common stocks	126,793,718	—
	<u>\$ 150,673,651</u>	<u>\$ 23,445,340</u>

There were no transfers between Level 1 and Level 2 during the years ended September 30, 2018 or 2017.

Park National Corporation
Defined Benefit Pension Plan
Notes to Financial Statements
September 30, 2018 and 2017

11. Subsequent Events

On April 1, 2019, CAB Financial Corporation, a South Carolina corporation ("CABF"), merged with and into Park, an Ohio corporation, with the Park continuing as the surviving entity, pursuant to the Agreement and Plan of Merger and Reorganization, dated as of September 12, 2018, by and between the Company and CABF. Immediately following the merger, Carolina Alliance Bank, a South Carolina state chartered bank and a wholly-owned Subsidiary of CABF, was merged into The Park National Bank, a national banking association and a wholly-owned Subsidiary of the Company, with Park National Bank as the surviving bank. Carolina Alliance employees will become eligible to enter the Plan on April 1, 2018, and will receive service credit for their employment at Carolina Alliance.

SUPPLEMENTAL SCHEDULES

Park National Corporation
Defined Benefit Pension Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
September 30, 2018

Name of Plan Sponsor:	Park National Corporation
Employer identification number:	31-1179518
Three digit plan number:	001

		<u>(c)</u> Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		<u>(d)</u> cost	<u>(e)</u> Current Value
<u>(a)</u>	<u>(b)</u> Identity of Issue, Borrower, Lessor or Similar Party				
Interest-bearing account:					
*	The Park National Bank FDIC Account	Interest rate of 1.80%	\$	595,732	\$ 595,732
	Discover Bank Marketable CD	Interest rate of 1.65%			
		due 10/01/2018		200,000	199,996
	Ally Bank Marketable CD	Interest rate of 1.10%			
		due 02/04/2019		250,000	249,012
	Wells Fargo Bank NA Marketable CD	Interest rate of 1.25%			
		due 04/22/2019		200,000	199,057
	Whitney Bank Marketable CD	Interest rate of 1.65%			
		due 04/22/2019		250,000	249,190
	State Bank of India NY Marketable CD	Interest rate of 2.00%			
		due 12/19/2019		250,000	248,182
	Sallie Mae Bank Marketable CD	Interest rate of 1.75%			
		due 01/21/2020		250,000	247,131
	Comenity Capital Bank Marketable CD	Interest rate of 1.30%			
		due 04/27/2020		200,000	196,338
	American Express Centurion Marketable CD	Interest rate of 2.30%			
		due 09/23/2020		200,000	196,979
	Goldman Sachs Bank USA Marketable CD	Interest rate of 2.25%			
		due 09/30/2020		200,000	196,349
	Capital One NA Marketable CD	Interest rate of 2.00%			
		due 10/13/2020		249,625	245,504
	BMW Bank North America Marketable CD	Interest rate of 2.20%			
		due 10/16/2020		200,000	197,370
	Discover Bank Marketable CD	Interest rate of 2.30%			
		due 02/10/2021		247,125	246,172
	Morgan Stanley Bank Marketable CD	Interest rate of 2.70%			
		due 03/15/2021		249,640	248,296
	Synchrony Bank Marketable CD	Interest rate of 1.50%			
		due 04/15/2021		250,000	242,941
	Barclays Bank Marketable CD	Interest rate of 2.00%			
		due 07/19/2021		249,625	242,967
	EnerBank USA Marketable CD	Interest rate of 3.00%			
		due 08/17/2021		250,000	249,556
	Beneficial Bank Marketable CD	Interest rate of 1.50%			
		due 09/13/2021		250,000	238,712

* Denotes party-in-interest.

See Independent Auditor's Report

Park National Corporation
Defined Benefit Pension Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
September 30, 2018

Name of Plan Sponsor:	Park National Corporation
Employer identification number:	31-1179518
Three digit plan number:	001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c)	(d) cost	(e) Current Value
		Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		
	Citibank Marketable CD	Interest rate of 3.00% due 09/21/2021	250,000	249,422
	Apex Bank Marketable CD	Interest rate of 1.65% due 10/12/2022	250,000	235,215
	MS Financial Bank NA Marketable CD	Interest rate of 2.35% due 01/29/2023	250,000	240,964
	HSBC Bank USA NA Marketable CD	Interest rate of 2.50% due 10/13/2023	250,000	237,590
			<u>\$ 5,541,747</u>	<u>\$ 5,452,675</u>
Mutual Funds:				
	Vanguard High-Yield Corp Fund	38,676 shares	\$ 227,382	\$ 223,163
	Vanguard Intermediate-Term Bond Index Fund	20,316 shares	231,506	221,244
	Vanguard Short-Term Bond Index Fund	63,849 shares	664,840	652,537
	Vanguard Short-Term Investment Grade Fund	62,294 shares	661,436	650,976
	Vanguard Total International Bond Index Fund	10,176 shares	215,542	221,429
	Vanguard Ultra-Short-Term Bond Admiral Fund	11,075 shares	221,049	220,495
	Vanguard Health Care ETF	23,200 shares	1,248,122	4,185,512
	Vanguard Utilities ETF	5,000 shares	268,873	589,350
	Vanguard European Stock Index Fund	235,665 shares	6,961,545	7,077,009
	Vanguard Institutional Extended Market Index Fund	174,632 shares	12,781,488	16,233,744
	Vanguard Pacific Stock Index Fund	537,726 shares	7,002,427	7,232,411
	Vanguard Real Estate ETF	37,900 shares	2,871,414	3,057,772
			<u>\$ 33,355,624</u>	<u>\$ 40,565,642</u>
United States Government Sponsored Entity Obligations:				
	Federal Home Loan Mortgage Corporation	1,000,000 principal, 1.75% due 03/29/2022	\$ 1,000,000	\$ 987,048
	Fannie Mae	1,000,000 principal, 2.00% due 08/24/2022	1,000,000	974,899
	Federal Home Loan Mortgage Corporation	1,000,000 principal, 1.25% due 12/30/2022	1,000,000	971,443
	Federal Home Loan Bank	500,000 principal, 2.00% due 08/24/2023	499,500	490,134

* Denotes party-in-interest.

See Independent Auditor's Report

Park National Corporation
Defined Benefit Pension Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
September 30, 2018

Name of Plan Sponsor:	Park National Corporation
Employer identification number:	31-1179518
Three digit plan number:	001

		(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) cost	(e) Current Value
(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party			
	Federal Home Loan Bank	1,000,000 principal, 2.00% due 12/15/2023	1,000,000	941,772
	Federal Home Loan Mortgage Corporation	1,000,000 principal, 1.50% due 12/30/2024	998,000	972,648
	Federal Home Loan Bank	1,000,000 principal, 1.50% due 06/30/2025	1,000,000	943,192
	Federal Farm Credit Bank	500,000 principal, 1.82% due 10/05/2023	500,000	471,514
			<u>\$ 6,997,500</u>	<u>\$ 6,752,650</u>
Corporate Bonds and Notes:				
	Shell International Finance	1,000,000 principal, 1.625% due 11/10/2018	\$ 1,000,000	\$ 998,950
	Bank of Montreal	1,000,000 principal, 2.10% due 06/15/2020	996,450	983,726
	Credit Suisse Nassau	1,000,000 principal, 2.50% due 01/31/2022	1,000,000	980,700
	Georgia Power Company	1,000,000 principal, 1.95% due 12/01/2018	1,000,000	998,656
	Morgan Stanley	1,000,000 principal, 2.50% due 01/24/2019	1,000,000	999,431
	Bank of America Corp	1,000,000 principal, 2.65% due 04/01/2019	1,002,400	1,000,072
	Bank of NY Mellon Corp	1,000,000 principal, 2.30% due 09/11/2019	999,810	995,160
	American Honda Finance	1,000,000 principal, 2.00% due 11/13/2019	996,400	990,007
	Rockwell Automation Inc	500,000 principal, 2.05% due 03/01/2020	493,200	493,112
	Pepsico Inc	1,000,000 principal, 1.85% due 04/30/2020	996,500	984,108
	Qualcomm Inc	1,000,000 principal, 2.25% due 05/20/2020	995,000	986,912
	Apple Inc	1,000,000 principal, 2.00% due 11/13/2020	1,000,000	982,203

* Denotes party-in-interest.

See Independent Auditor's Report

Park National Corporation
Defined Benefit Pension Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
September 30, 2018

Name of Plan Sponsor:	Park National Corporation
Employer identification number:	31-1179518
Three digit plan number:	001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c)	(d) cost	(e) Current Value
		Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value		
	Caterpillar Financial Services	1,000,000 principal, 1.70% due 08/09/2021	993,160	959,436
	Praxair Inc	1,000,000 principal, 3.00% due 09/01/2021	1,000,000	990,337
	Caterpillar Financial Services	1,000,000 principal, 1.931% due 10/01/2021	987,500	961,563
	National Rural Utility Cooperative	1,000,000 principal, 2.55% due 07/15/2022	1,000,000	944,285
	Public Storage	1,000,000 principal, 2.37% due 09/15/2022	991,900	959,147
	Charles Schwab Corp	500,000 principal, 2.65% due 01/25/2023	500,000	483,835
	Toronto-Dominion Bank Step	1,000,000 principal, 2.50% due 04/30/2021	1,000,000	989,915
	Barclays Bank PLC Step-Up	500,000 principal, 3.25% due 08/24/2023	499,500	491,391
			<u>\$ 18,451,820</u>	<u>\$ 18,172,946</u>
Common Stock:				
	3M Company	15,600 shares	\$ 887,983	\$ 3,287,076
	Abbott Laboratories	62,150 shares	1,906,918	4,559,324
	AbbVie Inc	7,800 shares	512,400	737,724
	Air Products & Chemicals Inc	8,480 shares	518,728	1,416,584
	Apple Inc	18,690 shares	1,520,043	4,219,081
	AT&T Inc	24,500 shares	806,628	822,710
	Automatic Data Processing Inc	38,987 shares	1,347,854	5,873,781
	Bank of America Corp	100,000 shares	1,731,882	2,946,000
	Bank of New York Mellon Corp	50,000 shares	1,182,999	2,549,500
	Berkshire Hathaway Inc Class A	6 shares	148,960	1,920,001
	Chevron Corp	20,122 shares	1,006,812	2,460,518
	Chubb Ltd	17,000 shares	1,889,664	2,271,880
	Cisco Systems Inc	93,491 shares	1,669,706	4,548,337
	Coca-Cola Company	45,700 shares	1,087,863	2,110,883
	Corning Inc	60,600 shares	871,698	2,139,180
	Danaher Corporation	5,800 shares	504,830	630,228
	DowDuPont Inc	31,300 shares	586,640	2,012,903

* Denotes party-in-interest.

Park National Corporation
Defined Benefit Pension Plan
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
September 30, 2018

Name of Plan Sponsor:	Park National Corporation
Employer identification number:	31-1179518
Three digit plan number:	001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) cost	(e) Current Value
	Emerson Electric Company	37,228 shares	1,333,560	2,850,920
	Exxon Mobil Corporation	27,837 shares	1,704,648	2,366,702
	Fortive Corporation	16,000 shares	1,241,050	1,347,200
	General Dynamics Corporation	6,000 shares	1,261,565	1,228,320
	General Electric Company	119,000 shares	1,980,728	1,343,510
	General Motors Company	86,600 shares	2,917,212	2,915,822
	Genuine Parts Company	34,300 shares	2,551,598	3,409,420
	Halliburton Company	11,000 shares	252,588	445,830
	Home Depot Inc	11,000 shares	311,731	2,278,650
	Intel Corporation	79,410 shares	1,908,540	3,755,299
	International Business Machine Corporation	23,500 shares	3,025,407	3,553,435
	Johnson & Johnson	29,300 shares	1,723,960	4,048,381
	Johnson Controls International PLC	50,142 shares	2,412,332	1,754,970
	JP Morgan Chase & Company	41,000 shares	1,366,160	4,626,440
	Lilly (Eli) & Company	7,600 shares	542,854	815,556
	McDonald's Corporation	14,000 shares	263,808	2,342,060
	Merck & Company Inc	44,400 shares	2,536,002	3,149,736
	Microsoft Corporation	74,521 shares	1,746,580	8,522,967
	NextEra Energy Inc	1,900 shares	301,253	318,440
	Nike Inc Class B	35,000 shares	397,774	2,965,200
	Novartis AG Sponsored ADR	27,300 shares	2,125,669	2,352,168
*	Park National Corporation	115,800 shares	7,000,110	12,223,848
	PepsiCo Inc	17,800 shares	858,109	1,990,040
	Procter & Gamble Company	25,500 shares	1,234,241	2,122,365
	Schlumberger Limited	23,000 shares	1,362,963	1,401,160
	SYSCO Corporation	8,600 shares	485,897	629,950
	Target Corporation	37,800 shares	2,699,939	3,334,338
	US Bancorp	75,000 shares	1,821,840	3,960,750
	Verizon Communications Inc	23,000 shares	924,907	1,227,970
	VF Corporation	4,000 shares	310,420	373,800
	Wells Fargo & Co	30,000 shares	1,168,577	1,576,800
			\$ 67,953,630	\$ 129,737,757
Total Assets Held at End of Year			\$ 132,300,321	\$ 200,681,670

* Denotes party-in-interest.

Park National Corporation
Defined Benefit Pension Plan
Schedule H, Line 4j
Schedule of Reportable Transactions
Year ended September 30, 2018

Name of plan sponsor:	Park National Corporation
Employer Identification Number:	31-1179518
Plan Number:	001

(a) Identity of Party Involved	(b) Description of Asset (Include Interest Rate & Maturity in Case of a Loan)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Current Cost of Asset	(h) Value of Asset on Transaction Date	(i) Net Gain or (Loss)
<u>Category (iii) - A series of transactions in excess of 5% of plan assets:</u>								
Park National Bank	Park National Bank FDIC Account	\$ 35,385,835	\$ —	\$ —	\$ —	\$ 35,385,835	\$ 35,385,835	\$ —
		—	36,702,578	—	—	36,702,578	36,702,578	—

There were no Category (i) (ii) or (iv) reporting transactions during the year ended September 30, 2018

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of October 1, 2017

Attained Age	Number of Participants and Average Compensation									
	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25		127 \$20,612	3							
25-29	1	133 \$27,693	54 \$38,023	1						
30-34		59 \$37,158	69 \$44,389	50 \$58,770	3					
35-39		38 \$39,866	26 \$65,860	47 \$57,650	43 \$54,532	1				
40-44		29 \$38,533	27 \$57,273	29 \$63,122	24 \$70,528	9				
45-49	1	34 \$49,281	29 \$57,407	41 \$72,721	25 \$70,241	15	12	2		
50-54		35 \$42,525	28 \$51,737	46 \$63,039	26 \$60,344	13	8	10	1	
55-59		27 \$56,784	31 \$40,591	51 \$62,021	30 \$69,036	8	18	9	5	2
60-64		25 \$44,035	23 \$28,993	31 \$64,170	37 \$57,680	12	8	11	7	
65-69		10	6	10	13	3	5			2
70+		10	6	2	2	2	2	1		2

N-1,510

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods
For ERISA Requirements

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of June 2017), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	4.16%
2nd Segment Rate	5.72%
3rd Segment Rate	6.48%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of June 2017), without regard to interest rate stabilization
1st Segment Rate	1.71%
2nd Segment Rate	3.83%
3rd Segment Rate	4.75%
Salary Increases	Under age 30: 10% Ages 30 – 39: 6% Ages 40 – 49: 4% Ages 50 and older: 3%
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 3.00% per year.
Optional Payment Form Election Percentage	14% – Normal; 86% – Lump Sum
Optional Payment Form Conversion Mortality	Current 417(e) table for lump sum distributions
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	See Table 2
Mortality Rates	
Healthy and Disabled	2017 static mortality table for annuitants and non- annuitants per §1.430(h)(3)-1(e)

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

For ERISA Requirements

Withdrawal Rates	See Table 3
Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	2016 pensionable earnings
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$215,000 and the IRC section 401(a)(17) compensation limit of \$270,000.
Valuation of Plan Assets	<p>Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.</p> <p>A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).</p>
Expected Return on Assets	
2015 Plan Year	7.25%, limited to 6.81%
2016 Plan Year	7.25%, limited to 6.65%
2017 Plan Year	7.25%, limited to 6.48%
Trust Expenses Included in Target Normal Cost	Based on prior year expense
Actuarial Method	Standard unit credit cost method
Valuation Date	October 1, 2017

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Table 1

Retirement Rates for Active Participants

<u>Age</u>	<u>Rate</u>
55	5.00%
56	2.50%
57	2.50%
58	2.50%
59	5.00%
60	5.00%
61	5.00%
62	15.00%
63	15.00%
64	40.00%
65	40.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Table 2

Retirement Rates for Vested Terminated Participants

<u>Age</u>	<u>Rate</u>
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	10.00%
61	10.00%
62	10.00%
63	10.00%
64	10.00%
65	80.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Table 3

Withdrawal Rates — Sample Termination Rates

Age	Years of Service					
	0	1	2	3	4-5	6+
20	30.0000%	30.0000%	30.0000%	30.0000%	30.0000%	30.0000%
25	30.0000%	30.0000%	30.0000%	25.0000%	20.0000%	10.0000%
30	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	7.3966%
35	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	6.8583%
40	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	6.1129%
45	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	5.1633%
50	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	3.6161%
55	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	1.3713%
60	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	0.1315%
65	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	0.0000%

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 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2017 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2017 or fiscal plan year beginning <u>10/01/2017</u> and ending <u>09/30/2018</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.) ☒ 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 Park National Corporation Defined Benefit Pension Plan	1b Three-digit plan number (PN) ▶ <u>001</u> 1c Effective date of plan <u>10/01/1960</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) Park National Corporation 51 North Third Street Newark OH 43055	2b Employer Identification Number (EIN) <u>31-1179518</u> 2c Plan Sponsor's telephone number <u>740-349-3750</u> 2d Business code (see instructions) <u>522110</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		Date	<u>6/27/19</u>	Laura Lewis
	Signature of plan administrator			Enter name of individual signing as plan administrator
SIGN HERE		Date		Enter name of individual signing as employer or plan sponsor
	Signature of employer/plan sponsor			
SIGN HERE		Date		Enter name of individual signing as DFE
	Signature of DFE			

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

Form 5500 (2017)
v. 170203

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 or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 2,281
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) 1,510
a(2) Total number of active participants at the end of the plan year	6a(2) 1,444
b Retired or separated participants receiving benefits	6b 238
c Other retired or separated participants entitled to future benefits	6c 492
d Subtotal. Add lines 6a(2), 6b, and 6c.	6d 2,174
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 44
f Total. Add lines 6d and 6e.	6f 2,218
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 102
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: 1A	
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
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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)

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 2017 Form M-1 annual report. If the plan was not required to file the 2017 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 _____

Plan Name	Park National Corporation Defined Benefit Pension Plan
Plan Sponsor EIN	31-1179518
ERISA Plan No.	001
Plan Year End	9/30/2018

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4j	Schedule of Reportable Transactions

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2017**This Form is Open to Public
Inspection**For calendar plan year 2017 or fiscal plan year beginning 10/01/2017 and ending 09/30/2018▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan PARK NATIONAL CORPORATION DEFINED BENEFIT PENSION PLAN		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Park National Corporation		D Employer Identification Number (EIN) 31-1179518
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>10</u> Day <u>01</u> Year <u>2017</u>			
2 Assets:			
a Market value.....		2a	174,471,713
b Actuarial value		2b	163,808,141
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	265	14,760,188	14,760,188
b For terminated vested participants	506	14,648,471	14,648,471
c For active participants	1,510	49,259,369	51,029,371
d Total	2,281	78,668,028	80,438,030
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate	5	6.03%	
6 Target normal cost	6	4,561,997	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Signature of actuary

LORI A. DEVORE

Type or print name of actuary

AON CONSULTING, INC.

Firm name

445 HUTCHINSON AVENUE, SUITE 900

COLUMBUS OH 43235-8619

Address of the firm

Date

6/5/19
1705257

Most recent enrollment number

614-436-8100

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2017

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	94,266,490
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	6,138,494
9 Amount remaining (line 7 minus line 8).....	0	88,127,996
10 Interest on line 9 using prior year's actual return of <u>13.72%</u>	0	12,091,161
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.21%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return.....		0
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections.....	0	761,441
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	99,457,716

Part III Funding Percentages

14 Funding target attainment percentage	14	80.00%
15 Adjusted funding target attainment percentage.....	15	203.64%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	85.16%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/21/2017	15,000,000	0			
Totals ▶			18(b)	15,000,000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	14,806,355

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)		31a	4,561,997
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		9,751,991	1,878,604
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....		34	6,440,601
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....		36	6,440,601
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....		37	14,806,355
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	8,365,754
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011
42 Amount of acceleration adjustment	42
43 Excess installment acceleration amount to be carried over to future plan years	43

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, line 19—Discounted Employer Contributions
Year applied for contributions: 2017

Date	Amount	Days to Discount to 10/1/2017 at 6.03%	Interest Adjusted Contribution
December 21, 2017	<u>\$ 15,000,000</u>	81	<u>\$ 14,806,355</u>
Total Contribution	\$ 15,000,000		\$ 14,806,355

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a)	(b)	(c)	(d)
Age	Rate	Weight	Product (a) × (b) × (c)
55	5.00%	1.0000	2.75
56	2.50%	0.9500	1.33
57	2.50%	0.9263	1.32
58	2.50%	0.9031	1.31
59	5.00%	0.8805	2.60
60	5.00%	0.8365	2.51
61	5.00%	0.7947	2.42
62	15.00%	0.7549	7.02
63	15.00%	0.6417	6.06
64	40.00%	0.5454	13.96
65	40.00%	0.3273	8.51
66	25.00%	0.1964	3.24
67	25.00%	0.1473	2.47
68	25.00%	0.1105	1.88
69	25.00%	0.0828	1.43
70	100.00%	0.0621	4.35
Weighted Average			63.16

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods
For ERISA Requirements

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of June 2017), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	4.16%
2nd Segment Rate	5.72%
3rd Segment Rate	6.48%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of June 2017), without regard to interest rate stabilization
1st Segment Rate	1.71%
2nd Segment Rate	3.83%
3rd Segment Rate	4.75%
Salary Increases	Under age 30: 10% Ages 30 – 39: 6% Ages 40 – 49: 4% Ages 50 and older: 3%
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 3.00% per year.
Optional Payment Form Election Percentage	14% – Normal; 86% – Lump Sum
Optional Payment Form Conversion Mortality	Current 417(e) table for lump sum distributions
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	See Table 2
Mortality Rates	
Healthy and Disabled	2017 static mortality table for annuitants and non- annuitants per §1.430(h)(3)-1(e)

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

For ERISA Requirements

Withdrawal Rates	See Table 3
Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 100% of males and 100% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	2016 pensionable earnings
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$215,000 and the IRC section 401(a)(17) compensation limit of \$270,000.
Valuation of Plan Assets	<p>Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.</p> <p>A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).</p>
Expected Return on Assets	
2015 Plan Year	7.25%, limited to 6.81%
2016 Plan Year	7.25%, limited to 6.65%
2017 Plan Year	7.25%, limited to 6.48%
Trust Expenses Included in Target Normal Cost	Based on prior year expense
Actuarial Method	Standard unit credit cost method
Valuation Date	October 1, 2017

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Table 1

Retirement Rates for Active Participants

<u>Age</u>	<u>Rate</u>
55	5.00%
56	2.50%
57	2.50%
58	2.50%
59	5.00%
60	5.00%
61	5.00%
62	15.00%
63	15.00%
64	40.00%
65	40.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Table 2

Retirement Rates for Vested Terminated Participants

<u>Age</u>	<u>Rate</u>
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	10.00%
61	10.00%
62	10.00%
63	10.00%
64	10.00%
65	80.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Table 3

Withdrawal Rates — Sample Termination Rates

Age	Years of Service					
	0	1	2	3	4-5	6+
20	30.0000%	30.0000%	30.0000%	30.0000%	30.0000%	30.0000%
25	30.0000%	30.0000%	30.0000%	25.0000%	20.0000%	10.0000%
30	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	7.3966%
35	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	6.8583%
40	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	6.1129%
45	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	5.1633%
50	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	3.6161%
55	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	1.3713%
60	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	0.1315%
65	30.0000%	25.0000%	20.0000%	15.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, Part V—Summary of Plan Provisions
General Information

Original Effective Date: October 1, 1960

Effective Date of Last Amendment: January 31, 2016

Plan Year: October 1 to September 30

Employer Fiscal Year: January 1 to December 31

Employer ID Number: 31-1179518

Plan Administrator's ID Number: 31-1179518

Plan Number: 001

Plan Administrator: The Committee as defined in the plan document.

Eligibility

All employees of the Employer are eligible to participate in the Plan on the October 1 or April 1 coinciding with or next following the later of the date of attainment of age 21 or the completion of one year of service. Employees of affiliated banks are eligible to participate on the bank merger date, if eligibility requirements are met prior to that date.

Service

Service shall equal total years of service with the Employer. A year of service is credited for each plan year in which an employee works 1,000 hours. Partial years of service are credited for completed months during years of hire and termination.

A break in service occurs at the start of any plan year in which the employee works 500 hours or less for the Employer in such year, if his employment has terminated. Service will not be interrupted by:

- (1) Involuntary layoff determined by the Employer, not exceeding one year,
- (2) A leave of absence granted by the Employer,
- (3) A period of service in the Armed Forces of the United States under which employment rights are granted.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

An employee will be given credit for his pre-break service if either of the following occurs:

- (1) The employee had a vested interest in his Accrued Benefit at the time of his break in service, or
- (2) The employee's period of absence was less than the greater of his pre-break service or five years.

Normal Retirement Date

Normal Retirement Date is the earlier of the first day of the month coincident with or next following attainment of age 65 and the completion of five years of service, or age 70 $\frac{1}{2}$.

Normal Retirement Benefit

The amount of annual benefit to be paid in monthly installments for life with 120 months of payments guaranteed, based on service to Normal Retirement Date, is the greater of the following:

- (1) 29% of Average Monthly Compensation reduced for expected years of service at normal retirement less than 25, or
- (2) 29% of Average Monthly Compensation plus 16% of Average Monthly Compensation in excess of one-twelfth of covered compensation reduced for expected years of service at normal retirement less than 35.

Furthermore, this benefit cannot be less than certain minimum benefits due to various plan mergers. These minimums are outlined in the plan document.

Delayed Retirement

A Participant may continue in the employment of the Employer after his Normal Retirement Date. In such event he will receive at actual retirement the benefit he would have received on his Normal Retirement Date, actuarially increased to reflect delayed payment. However, the benefit will not be less than the benefit accrued at Delayed Retirement reflecting Service and compensation to such date.

Average Monthly Compensation

The average of the highest five consecutive calendar years of compensation as reported on Form W-2 during the ten calendar years preceding the date of determination.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Accrued Benefit

The Accrued Benefit at any time prior to a Participant's Normal Retirement Date shall be the benefit described as the Normal Retirement Benefit, using Average Monthly Compensation as of the date of determination, and shall be multiplied by a fraction. The numerator is the Participant's total years of service as of the date of determination, and the denominator is the Participant's expected years of service at normal retirement.

Early Retirement Benefit

Upon the completion of ten years of service and the attainment of age 55, a Participant may elect to retire. He may receive a monthly benefit for life with 120 months of payments guaranteed beginning at his Normal Retirement Date equal to the Accrued Benefit at early retirement date. Payments may begin immediately, with the benefit being reduced one fifteenth (1/15) for the first five years and one thirtieth (1/30) for the next five years.

Disability Retirement Benefit

A Participant who becomes totally and permanently disabled before his Normal Retirement Date may retire after being determined to be disabled by the Committee for at least six months. The disability retirement benefit is equal to the participant's accrued benefit at disability reduced actuarially for payment preceding normal retirement.

Death Benefit

In the event of a married Participant's death after the completion of five years of service, but prior to meeting the requirements for early retirement, it will be assumed the Participant had terminated employment the day prior to death, survived to his early retirement date, elected a joint and one hundred percent survivor benefit, and died the following day.

If an unmarried Participant dies before Early Retirement Age, the survivor annuity shall be 100% of the 10-Year Certain and Life annuity payable to such Participant if such Participant had terminated employment one day prior to his death.

In the event of a married Participant's death after meeting the requirements for early retirement, his surviving spouse will receive the joint and one hundred percent survivor benefit calculated on the day before his death.

If an unmarried Participant or unmarried Inactive Participant dies on or after Early Retirement Age, the survivor annuity shall be computed as if he started receiving a 10-Year Certain and Life annuity on the day before his death.

For a vested terminated Participant, death benefits are calculated as for active Participants, but based on the Participant's Accrued Benefit at his termination date.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Severance Benefit

Upon the termination of employment after five or more years of service, a Participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Service	Vested Percent
Less than 5	0%
5 or more	100%

A Participant who terminates with ten or more years of service may elect to receive his vested interest as early as age 55. Such benefit will be reduced as described under Early Retirement Benefits.

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity. If a married Participant does not elect the normal form of annuity or does not elect one of the Optional Methods of Settlement described below, then the Participant's retirement benefit shall automatically be paid under option (1) below. The options are:

- (1) A benefit to be paid during the Participant's lifetime with one-half the benefit to be continued to his spouse for her lifetime after his death.
- (2) A benefit to be paid during the Participant's lifetime with three-fourths of the benefit to be continued to his spouse for her lifetime after his death.
- (3) A benefit to be paid during the Participant's lifetime with the same benefit to be continued to his spouse for her lifetime after his death.
- (4) A benefit payable in equal installments during the Participant's lifetime.
- (5) A benefit to be paid for 60, 120, 180 or 240 months certain and thereafter for life.
- (6) An unlimited lump sum settlement for retirees and a lump sum settlement under \$15,000 for vested Participants who have not yet attained retirement age.

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity based on the 1971 Male Group Annuity Mortality Table, with an age setback of three years for the Participant and for the beneficiary. Options (1), (2), (3), (4) and (5) are calculated using an interest rate of 5.0% for post-retirement. Option (6) is based on the applicable mortality table and the applicable interest rate as prescribed by the Secretary of Treasury as provided in Code Section 417(e) as of the August 1st preceding the beginning of the Plan Year containing the date of distribution.

Mergers with prior plans may have additional Optional Methods of Settlement available on the prior plan's Accrued Benefit.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards, or is unable to pay benefits when due.

If the Plan is terminated, the plan assets will be distributed among the plan Participants based upon a priority allocation procedure and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

The above description is a summary only; for additional details, reference should be made to the formal plan document.

Plan Changes since the Prior Year

The funding and plan reporting valuations do not reflect any plan changes.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
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Schedule SB, line 26—Schedule of Active Participant Data as of October 1, 2017

Attained Age	Number of Participants and Average Compensation									
	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25		127 \$20,612	3							
25-29	1	133 \$27,693	54 \$38,023	1						
30-34		59 \$37,158	69 \$44,389	50 \$58,770	3					
35-39		38 \$39,866	26 \$65,860	47 \$57,650	43 \$54,532	1				
40-44		29 \$38,533	27 \$57,273	29 \$63,122	24 \$70,528	9				
45-49	1	34 \$49,281	29 \$57,407	41 \$72,721	25 \$70,241	15	12	2		
50-54		35 \$42,525	28 \$51,737	46 \$63,039	26 \$60,344	13	8	10	1	
55-59		27 \$56,784	31 \$40,591	51 \$62,021	30 \$69,036	8	18	9	5	2
60-64		25 \$44,035	23 \$28,993	31 \$64,170	37 \$57,680	12	8	11	7	
65-69		10	6	10	13	3	5			2
70+		10	6	2	2	2	2	1		2

N-1,510

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installments	Valuation Date Established	Remaining Years in Amortization Period	Amortization Amount
Shortfall	\$2,088,664	October 1, 2015	5	\$452,459
Shortfall	\$7,663,327	October 1, 2016	6	\$1,426,145

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, line 19—Discounted Employer Contributions
Year applied for contributions: 2017

Date	Amount	Days to Discount to 10/1/2017 at 6.03%	Interest Adjusted Contribution
December 21, 2017	<u>\$ 15,000,000</u>	81	<u>\$ 14,806,355</u>
Total Contribution	\$ 15,000,000		\$ 14,806,355

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55	5.00%	1.0000	2.75
56	2.50%	0.9500	1.33
57	2.50%	0.9263	1.32
58	2.50%	0.9031	1.31
59	5.00%	0.8805	2.60
60	5.00%	0.8365	2.51
61	5.00%	0.7947	2.42
62	15.00%	0.7549	7.02
63	15.00%	0.6417	6.06
64	40.00%	0.5454	13.96
65	40.00%	0.3273	8.51
66	25.00%	0.1964	3.24
67	25.00%	0.1473	2.47
68	25.00%	0.1105	1.88
69	25.00%	0.0828	1.43
70	100.00%	0.0621	4.35
Weighted Average			63.16

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

Schedule SB, Part V—Summary of Plan Provisions
General Information

Original Effective Date: October 1, 1960

Effective Date of Last Amendment: January 31, 2016

Plan Year: October 1 to September 30

Employer Fiscal Year: January 1 to December 31

Employer ID Number: 31-1179518

Plan Administrator's ID Number: 31-1179518

Plan Number: 001

Plan Administrator: The Committee as defined in the plan document.

Eligibility

All employees of the Employer are eligible to participate in the Plan on the October 1 or April 1 coinciding with or next following the later of the date of attainment of age 21 or the completion of one year of service. Employees of affiliated banks are eligible to participate on the bank merger date, if eligibility requirements are met prior to that date.

Service

Service shall equal total years of service with the Employer. A year of service is credited for each plan year in which an employee works 1,000 hours. Partial years of service are credited for completed months during years of hire and termination.

A break in service occurs at the start of any plan year in which the employee works 500 hours or less for the Employer in such year, if his employment has terminated. Service will not be interrupted by:

- (1) Involuntary layoff determined by the Employer, not exceeding one year,
- (2) A leave of absence granted by the Employer,
- (3) A period of service in the Armed Forces of the United States under which employment rights are granted.

Schedule SB Attachment (Form 5500)—2017 Plan Year
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An employee will be given credit for his pre-break service if either of the following occurs:

- (1) The employee had a vested interest in his Accrued Benefit at the time of his break in service, or
- (2) The employee's period of absence was less than the greater of his pre-break service or five years.

Normal Retirement Date

Normal Retirement Date is the earlier of the first day of the month coincident with or next following attainment of age 65 and the completion of five years of service, or age 70 $\frac{1}{2}$.

Normal Retirement Benefit

The amount of annual benefit to be paid in monthly installments for life with 120 months of payments guaranteed, based on service to Normal Retirement Date, is the greater of the following:

- (1) 29% of Average Monthly Compensation reduced for expected years of service at normal retirement less than 25, or
- (2) 29% of Average Monthly Compensation plus 16% of Average Monthly Compensation in excess of one-twelfth of covered compensation reduced for expected years of service at normal retirement less than 35.

Furthermore, this benefit cannot be less than certain minimum benefits due to various plan mergers. These minimums are outlined in the plan document.

Delayed Retirement

A Participant may continue in the employment of the Employer after his Normal Retirement Date. In such event he will receive at actual retirement the benefit he would have received on his Normal Retirement Date, actuarially increased to reflect delayed payment. However, the benefit will not be less than the benefit accrued at Delayed Retirement reflecting Service and compensation to such date.

Average Monthly Compensation

The average of the highest five consecutive calendar years of compensation as reported on Form W-2 during the ten calendar years preceding the date of determination.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
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Accrued Benefit

The Accrued Benefit at any time prior to a Participant's Normal Retirement Date shall be the benefit described as the Normal Retirement Benefit, using Average Monthly Compensation as of the date of determination, and shall be multiplied by a fraction. The numerator is the Participant's total years of service as of the date of determination, and the denominator is the Participant's expected years of service at normal retirement.

Early Retirement Benefit

Upon the completion of ten years of service and the attainment of age 55, a Participant may elect to retire. He may receive a monthly benefit for life with 120 months of payments guaranteed beginning at his Normal Retirement Date equal to the Accrued Benefit at early retirement date. Payments may begin immediately, with the benefit being reduced one fifteenth (1/15) for the first five years and one thirtieth (1/30) for the next five years.

Disability Retirement Benefit

A Participant who becomes totally and permanently disabled before his Normal Retirement Date may retire after being determined to be disabled by the Committee for at least six months. The disability retirement benefit is equal to the participant's accrued benefit at disability reduced actuarially for payment preceding normal retirement.

Death Benefit

In the event of a married Participant's death after the completion of five years of service, but prior to meeting the requirements for early retirement, it will be assumed the Participant had terminated employment the day prior to death, survived to his early retirement date, elected a joint and one hundred percent survivor benefit, and died the following day.

If an unmarried Participant dies before Early Retirement Age, the survivor annuity shall be 100% of the 10-Year Certain and Life annuity payable to such Participant if such Participant had terminated employment one day prior to his death.

In the event of a married Participant's death after meeting the requirements for early retirement, his surviving spouse will receive the joint and one hundred percent survivor benefit calculated on the day before his death.

If an unmarried Participant or unmarried Inactive Participant dies on or after Early Retirement Age, the survivor annuity shall be computed as if he started receiving a 10-Year Certain and Life annuity on the day before his death.

For a vested terminated Participant, death benefits are calculated as for active Participants, but based on the Participant's Accrued Benefit at his termination date.

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
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Severance Benefit

Upon the termination of employment after five or more years of service, a Participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Service	Vested Percent
Less than 5	0%
5 or more	100%

A Participant who terminates with ten or more years of service may elect to receive his vested interest as early as age 55. Such benefit will be reduced as described under Early Retirement Benefits.

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity. If a married Participant does not elect the normal form of annuity or does not elect one of the Optional Methods of Settlement described below, then the Participant's retirement benefit shall automatically be paid under option (1) below. The options are:

- (1) A benefit to be paid during the Participant's lifetime with one-half the benefit to be continued to his spouse for her lifetime after his death.
- (2) A benefit to be paid during the Participant's lifetime with three-fourths of the benefit to be continued to his spouse for her lifetime after his death.
- (3) A benefit to be paid during the Participant's lifetime with the same benefit to be continued to his spouse for her lifetime after his death.
- (4) A benefit payable in equal installments during the Participant's lifetime.
- (5) A benefit to be paid for 60, 120, 180 or 240 months certain and thereafter for life.
- (6) An unlimited lump sum settlement for retirees and a lump sum settlement under \$15,000 for vested Participants who have not yet attained retirement age.

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity based on the 1971 Male Group Annuity Mortality Table, with an age setback of three years for the Participant and for the beneficiary. Options (1), (2), (3), (4) and (5) are calculated using an interest rate of 5.0% for post-retirement. Option (6) is based on the applicable mortality table and the applicable interest rate as prescribed by the Secretary of Treasury as provided in Code Section 417(e) as of the August 1st preceding the beginning of the Plan Year containing the date of distribution.

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Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

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Plan Name	Park National Corporation Defined Benefit Pension Plan
Plan Sponsor EIN	31-1179518
ERISA Plan No.	001
Plan Year End	9/30/2018

The required attachment noted below is included within the Accountant's Opinion attachment to the Form 5500 Schedule H, Part III, which consists of the entire Audit report issued by the Plan's Independent Qualified Public Accountant (IQPA).

Form/Schedule	Line Item	Description
5500 Schedule H	Line 4i	Schedule of Assets (Held at End of Year)

Schedule SB Attachment (Form 5500)—2017 Plan Year
Park National Corporation Defined Benefit Pension Plan
EIN: 31-1179518 PN: 001

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