

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).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 06/01/2018 and ending 05/31/2019

- 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)
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>AGBENEFITS</u>	1b Three-digit plan number (PN) ▶ <u>501</u>
	1c Effective date of plan <u>06/01/2002</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>AGBENEFITS</u> <u>AGBENEFITS</u> <u>AGBENEFITS</u> <u>PO BOX 65212</u> <u>PO BOX 65212</u> <u>LUBBOCK, TX 79464-5212</u> <u>LUBBOCK, TX 79464-5212</u>	2b Employer Identification Number (EIN) <u>85-6127618</u>
	2c Plan Sponsor's telephone number <u>806-731-4092</u>
	2d Business code (see instructions) <u>525100</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	<u>Filed with authorized/valid electronic signature.</u>	<u>06/23/2023</u>	<u>MARCELO AGUILAR</u>
	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 (2022)
v. 220413

3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor AGBENEFITS AGBENEFITS PO BOX 65212 LUBBOCK, TX 79464-5212	3b Administrator's EIN 85-6127618 3c Administrator's telephone number 806-731-4092
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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 TEXAS AG COOP TRUST c Plan Name TEXAS AG COOP TRUST	4b EIN 4d PN
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5 Total number of participants at the beginning of the plan year	5	620
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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)	620
a(2) Total number of active participants at the end of the plan year	6a(2)	649
b Retired or separated participants receiving benefits	6b	1
c Other retired or separated participants entitled to future benefits.....	6c	1
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d	651
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e	0
f Total. Add lines 6d and 6e	6f	651
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	

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:
 4A 4D

9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input checked="" type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor
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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)

<p>a Pension Schedules</p> <p>(1) <input type="checkbox"/> R (Retirement Plan Information)</p> <p>(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</p> <p>(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</p>	<p>b General Schedules</p> <p>(1) <input checked="" type="checkbox"/> H (Financial Information)</p> <p>(2) <input type="checkbox"/> I (Financial Information – Small Plan)</p> <p>(3) <input checked="" type="checkbox"/> 4 A (Insurance Information)</p> <p>(4) <input checked="" type="checkbox"/> C (Service Provider Information)</p> <p>(5) <input type="checkbox"/> D (DFE/Participating Plan Information)</p> <p>(6) <input type="checkbox"/> G (Financial Transaction Schedules)</p>
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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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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 77261478

**SCHEDULE A
(Form 5500)**

Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Insurance Information

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

▶ **File as an attachment to Form 5500.**

▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).

OMB No. 1210-0110

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning **06/01/2018** and ending **05/31/2019**

A Name of plan AGBENEFITS	B Three-digit plan number (PN) ▶ 501
C Plan sponsor's name as shown on line 2a of Form 5500 AGBENEFITS	D Employer Identification Number (EIN) 85-6127618

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

1 Coverage Information:

(a) Name of insurance carrier
RELIANCE STANDARD

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
85-6127618	68381	GL 139046	766	06/01/2018	05/31/2019

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

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 131519
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

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

BENTEGRITY SOLUTIONS
PO BOX 65212
LUBBOCK, TX 79462-5212

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
131519			

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

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

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

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

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

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

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end.....	4	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ **COMPOSITE RATED**

b Premiums paid to carrier	6b	131519
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d	

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶ **GROUP LIFE BENEFITS**

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits.....	7c(2)		
(3) Interest credited during the year.....	7c(3)		
(4) Transferred from separate account.....	7c(4)		
(5) Other (specify below)	7c(5)		

(6) Total additions..... **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**)..... **7d**

e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier.....	7e(2)		
(3) Transferred to separate account.....	7e(3)		
(4) Other (specify below)	7e(4)		

(5) Total deductions..... **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f**

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

a	Total premiums or subscription charges paid to carrier	10a	131519
b	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.	10b	

Part IV Provision of Information

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

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

**SCHEDULE A
(Form 5500)**

Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

Insurance Information

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

▶ **File as an attachment to Form 5500.**

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OMB No. 1210-0110

2022

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For calendar plan year 2022 or fiscal plan year beginning **06/01/2018** and ending **05/31/2019**

A Name of plan AGBENEFITS	B Three-digit plan number (PN) ▶ 501
C Plan sponsor's name as shown on line 2a of Form 5500 AGBENEFITS	D Employer Identification Number (EIN) 85-6127618

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

1 Coverage Information:

(a) Name of insurance carrier
AMERITAS LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
47-0098400	61301	010039424	1053	06/01/2018	05/31/2019

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

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 91791
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

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

BENTEGRITY SOLUTIONS
PO BOX 65212
LUBBOCK, TX 79464-5212

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
91791			5

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

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

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

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	(c) Amount	(d) Purpose	

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

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

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end.....	4	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ **COMPOSITE RATING**

b Premiums paid to carrier	6b	91791
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d	

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶ **GROUP VISION BENEFITS**

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits.....	7c(2)		
(3) Interest credited during the year.....	7c(3)		
(4) Transferred from separate account.....	7c(4)		
(5) Other (specify below)	7c(5)		

(6) Total additions..... **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**)..... **7d**

e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier.....	7e(2)		
(3) Transferred to separate account.....	7e(3)		
(4) Other (specify below)	7e(4)		

(5) Total deductions..... **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f**

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

8 Benefit and contract type (check all applicable boxes)

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

9 Experience-rated contracts:

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

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	91791
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	
Specify nature of costs.		

Part IV Provision of Information

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

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

<p>SCHEDULE A (Form 5500)</p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p>Insurance Information</p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ File as an attachment to Form 5500.</p> <p>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</p>	<p>OMB No. 1210-0110</p> <hr/> <p>2022</p> <hr/> <p>This Form is Open to Public Inspection</p>
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For calendar plan year 2022 or fiscal plan year beginning **06/01/2018** and ending **05/31/2019**

<p>A Name of plan AGBENEFITS</p>	<p>B Three-digit plan number (PN) ▶</p>	<p>501</p>
<p>C Plan sponsor's name as shown on line 2a of Form 5500 AGBENEFITS</p>	<p>D Employer Identification Number (EIN) 85-6127618</p>	

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

1 Coverage Information:

(a) Name of insurance carrier
OPTUM HEALTHCARE SERVICES

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
36-2739571	79413	1000498	1053	06/01/2018	05/31/2019

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	51605

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

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

BENTEGRITY SOLUTIONS **PO BOX 65212**
LUBBOCK, TX 79464-5212

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
51605			5

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

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

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

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Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end.....	4	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ **COMPOSITE RATE**

b Premiums paid to carrier	6b	51605
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d	

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶ **GROUP TRANSPLANT POLICY**

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits.....	7c(2)		
(3) Interest credited during the year.....	7c(3)		
(4) Transferred from separate account.....	7c(4)		
(5) Other (specify below)	7c(5)		

(6) Total additions..... **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**)..... **7d**

e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier.....	7e(2)		
(3) Transferred to separate account.....	7e(3)		
(4) Other (specify below)	7e(4)		

(5) Total deductions..... **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f**

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

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	
10 Nonexperience-rated contracts:			
a Total premiums or subscription charges paid to carrier	10a		51605
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b		
Specify nature of costs.			

Part IV Provision of Information

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

<p>SCHEDULE A (Form 5500)</p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p>Insurance Information</p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ File as an attachment to Form 5500.</p> <p>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</p>	<p>OMB No. 1210-0110</p> <hr/> <p>2022</p> <hr/> <p>This Form is Open to Public Inspection</p>
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For calendar plan year 2022 or fiscal plan year beginning **06/01/2018** and ending **05/31/2019**

<p>A Name of plan AGBENEFITS</p>	<p>B Three-digit plan number (PN) ▶</p>	<p>501</p>
<p>C Plan sponsor's name as shown on line 2a of Form 5500 AGBENEFITS</p>	<p>D Employer Identification Number (EIN) 85-6127618</p>	

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

1 Coverage Information:

(a) Name of insurance carrier
GREENWICH INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
95-1479095	22322	NUGIC-1025-17	1053	06/01/2018	05/31/2019

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

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	909050

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

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

BENTEGRITY SOLUTIONS **PO BOX 65212**
LUBBOCK, TX 79464-5212

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
909050			5

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

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

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

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

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

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

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

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

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

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

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

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

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end.....	4	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶ **EXPERIENCED RATED**

b Premiums paid to carrier	6b	909050
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount..... Specify nature of costs ▶	6d	

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶ **STOP LOSS/REINSURANCE**

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year **7b**

c Additions: (1) Contributions deposited during the year	7c(1)		
(2) Dividends and credits.....	7c(2)		
(3) Interest credited during the year.....	7c(3)		
(4) Transferred from separate account.....	7c(4)		
(5) Other (specify below)	7c(5)		

(6) Total additions..... **7c(6)**

d Total of balance and additions (add lines **7b** and **7c(6)**)..... **7d**

e Deductions:			
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)		
(2) Administration charge made by carrier.....	7e(2)		
(3) Transferred to separate account.....	7e(3)		
(4) Other (specify below)	7e(4)		

(5) Total deductions..... **7e(5)**

f Balance at the end of the current year (subtract line **7e(5)** from line **7d**)..... **7f**

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

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

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)	909050	
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	909050
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	
10 Nonexperience-rated contracts:			
a Total premiums or subscription charges paid to carrier		10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. Specify nature of costs.		10b	

Part IV Provision of Information

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

SCHEDULE C (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>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning **06/01/2018** and ending **05/31/2019**

A Name of plan AGBENEFITS	B Three-digit plan number (PN) ▶	501
C Plan sponsor's name as shown on line 2a of Form 5500 AGBENEFITS	D Employer Identification Number (EIN) 85-6127618	

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

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

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

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

MOSELEY & RIDDLE INC

621 W 7TH ST
PLAINVIEW, TX 79072

75-2759416

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	ACCOUNTANT.	17848	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

MITCHELL WILLIAMS SELIG GATES PLLC

500 W 5TH ST
#1150
AUSTIN, TX 78701

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	ATTORNEY	21020	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

PAYOR COMPASS

2300 MCDERMOTT RD #200-247
PLANO, TX 75025

46-2047081

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	CLM REPRICING/CLM NEGOTIA	146290	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

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

DEBORAH GOODELL POLAN PA

823 CONGRESS AVE
SUITE 1305
AUSTIN, TX 78701

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	LOBBYIST	25273	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

HEALTHSMART PREFERRED CARE

PO BOX 842088
DALLAS, TX 75284

75-2960859

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	PPO NETWORK	7382	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

CALVERT HOME HEALTH CARE, LTD

10207 INDIANA AVE
LUBBOCK, TX 79423

20-1798585

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49	WELLNESS PROVIDER	22719	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

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

BENTEGRITY SOLUTIONS

PO BOX 65212
LUBBOCK, TX 79464-5212

46-5123732

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
12 13 65 73	THIRD-PARTY ADMINISTRATOR	90070	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

LEWIS & ELLIS INC ACTUARIES & CONSU

700 CENTRAL EXPRESSWAY SOUTH
SUITE 550
ALLEN, TX 75013

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
23	ACTUARIAL OPINIONS/STMTS	9306	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

► **File as an attachment to Form 5500.**

OMB No. 1210-0110

2022

**This Form is Open to Public
Inspection**

For calendar plan year 2022 or fiscal plan year beginning **06/01/2018** and ending **05/31/2019**

A Name of plan AGBENEFITS	B Three-digit plan number (PN) ►	501
C Plan sponsor's name as shown on line 2a of Form 5500 AGBENEFITS	D Employer Identification Number (EIN) 85-6127618	

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	363740	239889
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	121510	604075
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	1811814	1830800
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(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)	100000	219644
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	2974	5308

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	1100	1100
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e	58535	14096
f Total assets (add all amounts in lines 1a through 1e).....	1f	2459673	2914912
Liabilities			
g Benefit claims payable.....	1g	1342210	2019531
h Operating payables.....	1h	90149	674243
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	1432359	2693774
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	1027314	221138

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)		
(B) Participants.....	2a(1)(B)	7960126	
(C) Others (including rollovers).....	2a(1)(C)	427604	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		8387730
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	27601	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)	3455	
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		31056
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		
c Other income	2c		19414
d Total income. Add all income amounts in column (b) and enter total	2d		8438200
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6943356	
(2) To insurance carriers for the provision of benefits	2e(2)	973008	
(3) Other	2e(3)	1353638	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		9270002
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)	105083	
(2) Contract administrator fees.....	2i(2)	250100	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		355183
j Total expenses. Add all expense amounts in column (b) and enter total	2j		9625185
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-1186985
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) Unmodified **(2)** Qualified **(3)** Disclaimer **(4)** Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 **(2)** DOL Regulation 2520.103-12(d) **(3)** neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

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

(1) Name: MOSELEY & RIDDLE, INC.

(2) EIN: 75-2759416

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.)

	Yes	No	Amount
4a		X	

		Yes	No	Amount
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.).....	4b		X	
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.)	4c		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.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?.....	4h		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.).....	4i		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.).....	4j		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?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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.	4n			

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 Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

**Ag Benefits
Amarillo, Texas
Consolidated Financial Statements
For the Years Ended May 31, 2019 and 2018
(With Auditors' Report Thereon)**



MOSELEY & RIDDLE, INC.

Certified Public Accountants

PLAINVIEW, TX

**Ag Benefits
Amarillo, Texas
Table of Contents
May 31, 2019**

	<u>Page Number</u>
Independent Auditors' Report	ii
Consolidated Balance Sheets	1
Consolidated Statements of Income	2
Consolidated Statements of Equity	3
Consolidated Statements of Cash Flows	4-5
Notes to the Consolidated Financial Statements	6-10
Additional Information:	
Auditors' Report on Additional Information	11
Consolidating Balance Sheet	12-13
Consolidating Statement of Income	14
Consolidating Statements of Equity	15
Consolidating Statement of Cash Flows	16-17
Consolidating Statement of Operating Expenses	18
Ag Benefits	
Balance Sheets	19
Statements of Income	20
Statements of Equity	21
Statements of Cash Flows	22-23
Statements of Operating Expenses	24
Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions	
Balance Sheets	25
Statements of Income	26
Statements of Equity	27
Statements of Cash Flows	28-29
Statements of Operating Expenses	30
TACT Insurance Agency, Inc.	
Balance Sheets	31
Statements of Income	32
Statements of Equity	33
Statements of Cash Flows	34-35
Statements of Operating Expenses	36
Letter of Qualification	37-38



MOSELEY & RIDDLE, INC.

Certified Public Accountants

Independent Auditor's Report

To the Board of Directors
Ag Benefits
Amarillo, Texas

We have audited the accompanying consolidated financial statements of Ag Benefits (the MEWA) and its subsidiaries, which comprise the consolidated balance sheets as of May 31, 2019 and 2018, and the related consolidated statements of income, equity and cash flows 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.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ag Benefits and its subsidiaries as of May 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Moseley & Riddle, Inc.

August 26, 2019

Ag Benefits
Amarillo, Texas
Consolidated Balance Sheets
May 31, 2019 and 2018

Assets	2019	2018
Current Assets		
Unrestricted Cash	\$ 288,075	\$ 466,428
Restricted Cash	-	-
Total Cash and Cash Equivalents	<u>288,075</u>	<u>466,428</u>
Certificates of Deposit	1,830,800	1,811,814
Reinsurance claims receivable	-	23,299
Accounts Receivable, Net	615,656	-
Other Receivable, Net	3,863	2,911
Prepaid Expenses	10,670	12,120
Total Current Assets	<u>2,749,064</u>	<u>2,316,572</u>
Other Assets		
Investment	-	-
Property and Equipment, Net	34,054	84,517
Total Other Assets	<u>34,054</u>	<u>84,517</u>
Total Assets	<u>\$ 2,783,118</u>	<u>\$ 2,401,089</u>
Liabilities and Equity		
Current Liabilities		
IBNR Reserves	\$ 983,878	\$ 972,705
Accounts Payable	1,044,623	388,124
Accrued Expenses	589	1,600
Deferred Revenue	673,654	88,549
Total Liabilities	<u>2,702,744</u>	<u>1,450,978</u>
Equity		
Restricted Contingency Reserves	1,144,122	778,844
Other Comprehensive Income	-	(15,531)
Retained Earnings	(140,764)	(77,203)
Surplus	(922,984)	264,001
Total Equity	<u>80,374</u>	<u>950,111</u>
Total Liabilities and Equity	<u>\$ 2,783,118</u>	<u>\$ 2,401,089</u>

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

Ag Benefits
Amarillo, Texas
Consolidated Statements of Income
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues		
Contribution Collections - Medical	\$ 7,740,475	\$ 7,957,662
Contribution Collections - Dental	219,651	241,403
Claim Payment Refunds	70,242	54,878
Medical Excess Claim Reimbursements	90,472	-
Medical Premiums	184,387	787,008
Transplant Premiums	27,931	72,388
Administration Fees	143,539	239,154
Commissions	101,309	89,617
Rebates-refunds	261,652	73,789
Flu Shots	8,040	6,240
Change in IBNR Reserves	-	78,778
Plan Management Fees	82,001	181,661
Endorsement Fees	-	1,000
Total Revenues	<u>8,929,699</u>	<u>9,783,578</u>
Total Operating Expenses	<u>10,242,458</u>	<u>9,842,699</u>
Income (Loss) From Operations	<u>(1,312,759)</u>	<u>(59,121)</u>
Other Income and Expenses		
Other Income	31,246	32,921
Consulting fees	3,455	-
Interest Income	28,255	26,800
Interest expense	(743)	(4,650)
Total other income and expenses	<u>62,213</u>	<u>55,071</u>
Net Income (Loss) before Other Comprehensive Income	<u>(1,250,546)</u>	<u>(4,050)</u>
Other Comprehensive Income		
Unrealized gain/(loss) on CD's	15,531	(15,531)
Total Other Comprehensive Income (Loss)	<u>15,531</u>	<u>(15,531)</u>
Net Comprehensive Income (Loss)	<u>\$ (1,235,015)</u>	<u>\$ (19,581)</u>

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

Ag Benefits
Amarillo, Texas
Consolidated Statements of Equity
For the Years Ended May 31, 2019 and 2018

	Restricted Contingency Reserves	Surplus	Common Stock	Other Comprehensive Income	Retained Earnings	Total
Balance at beginning of year, June 1, 2017	\$ 857,622	\$ 306,721	\$ 1,100	\$ -	\$ (115,873)	\$ 1,049,570
Net income (loss)	-	(42,720)	-	(15,531)	38,670	(19,581)
Consolidating eliminations	-	-	(1,100)	-	-	(1,100)
Change in reserves	<u>(78,778)</u>	-	-	-	-	<u>(78,778)</u>
Balance at end of year, May 31, 2018	778,844	264,001	-	(15,531)	(77,203)	950,111
Net income (loss)	-	(1,186,985)	-	15,531	(63,561)	(1,235,015)
Change in reserves	<u>365,278</u>	-	-	-	-	<u>365,278</u>
Balance at end of year, May 31, 2019	<u>\$ 1,144,122</u>	<u>\$ (922,984)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (140,764)</u>	<u>\$ 80,374</u>

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

Ag Benefits
Amarillo, Texas
Consolidated Statements of Cash Flows
For the Years Ended May 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities:		
Cash received from customers	\$ 7,947,853	\$ 9,139,385
Cash received from administration	155,120	215,855
Cash received from commissions/ refunds	171,551	144,495
Cash received from disposition of investments	3,455	-
Cash received from medical excess claim reimbursements	90,472	122,572
Cash received for interest income	28,255	26,800
Cash received for other income	31,246	32,921
Cash received from deferred income	673,654	88,549
Cash received for endorsement fees	-	1,000
Cash received for plan management fees	82,001	181,661
Cash paid for claims	(6,079,248)	(6,300,242)
Cash paid for premiums-health	(302,876)	(229,179)
Cash paid for premiums-dental	(158,225)	(209,186)
Cash paid for reinsurance	(909,050)	(1,019,748)
Cash paid for captivated services	(8,807)	(24,549)
Cash paid for claims software fees	(86,709)	(97,985)
Cash paid for administrative expenses	(217,295)	(355,861)
Cash paid for other overhead expenses	(1,580,079)	(1,658,720)
Interest and bank charges paid	(685)	(4,446)
Net Cash Provided (Used) by Operating Activities	(159,367)	53,322
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	(17,142)
(Increase) decrease of certificates of deposit	(18,986)	41,031
Net Cash Provided (Used) by Investing Activities	(18,986)	23,889
Cash Flows From Financing Activities:		
Change in Long-term Notes	-	-
Net Cash Provided (Used) by Financing Activities	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(178,353)	77,211
Cash and Cash Equivalents, Beginning of Year	466,428	389,217
Cash and Cash Equivalents, End of Year	\$ 288,075	\$ 466,428

The accompanying notes are an integral part of these financial statements

Ag Benefits
Amarillo, Texas
Consolidated Statements of Cash Flows (continued)
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Net income (loss)	\$ (1,235,015)	\$ (19,581)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	50,463	54,560
Increase (decrease) in IBNR reserves	11,173	97,987
Increase (decrease) in Restricted Contingency reserve	365,278	(78,778)
Changes in Assets and Liabilities		
(Increase) decrease other receivables	121,510	42,711
(Increase) decrease in reinsurance claims receivables	-	132,217
(Increase) decrease in accounts receivable	(592,357)	(65,115)
(Increase) decrease in prepaid expenses	1,450	68,434
Increase (decrease) in accounts payable	537,900	(156,428)
Increase (decrease) in accrued expenses	(1,011)	1,600
Increase (decrease) in deferred revenue	585,105	(24,285)
Increase (decrease) in other accrued expenses	<u>(3,863)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>(159,367)</u>	<u>53,322</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	(17,142)
(Increase) decrease of certificates of deposit	<u>(18,986)</u>	<u>41,031</u>
Net Cash Provided (Used) by Investing Activities	<u>(18,986)</u>	<u>23,889</u>
Cash Flows From Financing Activities:		
Change in common stock	<u>-</u>	<u>-</u>
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(178,353)	77,211
Cash and Cash Equivalents, Beginning of Year	<u>466,428</u>	<u>389,217</u>
Cash and Cash Equivalents, End of Year	<u>\$ 288,075</u>	<u>\$ 466,428</u>
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year For:		
Interest and bank charges	\$ 743	\$ 4,650
Rent	85,992	87,441

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

Ag Benefits
Amarillo, Texas
Notes To the Consolidated Financial Statements
May 31, 2019 and 2018

Note A: Organization and Significant Accounting Policies

Organization: Ag Benefits (MEWA) was formed in 2002 as a Multiple Employer Welfare Arrangement (MEWA) under the Employee Retirement Income Security Act of 1974, as amended (hereinafter referred to as "ERISA") and Chapter 846 of the Texas Insurance Code. The Trust is administered by no less than five (5) Trustees. The Trustees are elected by the Participating Employers of the Trust for a term of at least two (2) years each. In order to be eligible to participate, groups must be located in Texas and must be involved in the agriculture business.

Employees eligible for enrollment are employees who are full-time, active employees of the participating employer. An employee is considered full-time if he or she normally works at least 30 hours per week and is on the regular payroll of the participating employer for that work and completes the waiting period of first of the month following 30 days as an Active Employee, as defined in the Plan Document. In addition, dependents eligible for benefits are the covered employee's spouse and any dependent children up to the age of 26.

Texas Ag Benefit Administrators, Inc., DBA: Bentegrity Solutions, has been hired as a third-party administrator. Its functions include claims processing, member services, group billing, and reporting and data analysis.

Healthsmart RX was hired as the prescription benefit manager effective January 1, 2017.

Healthsmart was contracted to provide PPO network access effective June 1, 2014. Payor Compass was contracted to provide Medicare repricing effective August 1, 2017. CareValent was contracted to provide patient advocacy, medical review, medical case management, and disease management effective August 1, 2017.

Bentegrity Solutions was contracted to provide administrative services for the direct reimbursement dental plan which became available to all eligible employees on January 1, 2015.

The primary subsidiaries, located in Amarillo, Texas, comprise:

Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions whose principal business activities are to operate as a Third Party Administrator whose function is to be the Claims Administrator for Texas Agricultural Cooperative Trust and other self-funded entities.

TACT Insurance Agency, Inc. The principal business activity of this company is a licensed Life, Health, Property and Casualty insurance agency. This Agency serves the role of providing additional benefits for members or non-members who do not qualify to be a part of the Ag Benefits plan.

Basis of Presentation: The significant accounting policies followed by Ag Benefits that materially affect financial reporting are summarized below. The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles (GAAP) that differ from statutory accounting practices (SAP) used by regulatory authorities. The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Ag Benefits
Amarillo, Texas
Notes To the Consolidated Financial Statements
May 31, 2019 and 2018

Consolidation Principles: These consolidated financial statements include all majority-owned and controlled subsidiaries of Texas Agricultural Cooperative Trust. All significant intercompany accounts and transactions have been eliminated.

Use of Estimates: The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported.

Estimates are used when accounting for certain items such as allowances for doubtful accounts; employee compensation programs; depreciation and amortization lives, legal and tax contingencies; and valuations of investments and determining when investment impairments are other than temporary. Estimates are based on historical experience, where applicable and other assumptions that management believes are reasonable under the circumstances. Actual results may differ from those estimates under different assumptions or conditions.

Cash and Cash Equivalents: Cash equivalents include money market accounts, certificates of deposit, and commercial paper, all of which have maturities of three months or less. Cash equivalents are stated at cost plus accrued interest, which approximates market value.

Investments: Investments are recorded at cost and consist of certificates of deposit and stock purchased in TACT Insurance Agency, Inc. and Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions.

Property and Equipment: Property and equipment are recorded at cost. Property acquired below market is recorded at fair market value at date of acquisition. Depreciation is computed using the straight-line method over the estimated useful lives of the related depreciable assets. Useful lives range from five to ten years. Expenditures for betterments and renewals that extend useful lives are capitalized. Gains and losses on retirements and disposals are included in income currently.

Accounting policy for health liabilities: Reserves represent the estimated liability for covered claims benefits and related expenses, both reported but not paid and incurred but not reported, to Ag Benefits through May 31, 2019 and 2018. Ag Benefits does not discount its liabilities for unpaid claims. Liabilities for unpaid claims are estimated using generally accepted actuarial practices. Those estimates are subject to the effects of trends in claim severity and frequency. Although considerable variability is inherent in such estimates, management believes that the liabilities for unpaid claims are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known. Such adjustments are included in current operations.

Deferred revenue: Deferred revenue represents payments for contributions received in advance of the period for which the contribution applies.

Income Taxes: On July 26, 2004, the application for exemption from federal income taxes under Internal Revenue Code Section 501 (c) 9 was approved.

Stop Loss Insurance: Based on the benefits to be offered and the expected enrollment in the MEWA, the stop loss coverages are \$2,000,000 annually with a \$160,000 per person specific deductible and a \$150,000 aggregating specific deductible. In addition, there is aggregate stop loss coverage with an aggregate deductible at 125% of the expected claims level.

Ag Benefits
Amarillo, Texas
Notes To the Consolidated Financial Statements
May 31, 2019 and 2018

Administrative Services: Administrative services for medical services are a fee calculated based on a monthly maintenance fee of \$10.00 per employee per month.

Administrative services for the dental plan are a fee calculated based on a monthly maintenance fee of \$4.00 per employee per month.

Advertising costs are expensed as incurred.

Business Risks and Uncertainties: The development of liabilities for future policy benefits for the MEWA's self-funded health plan coverage requires management to make estimates and assumptions regarding claims experience, lapses, expenses, and investment experience. Such estimates are primarily based on historical experience and future expectations of claims experience, expense, persistency, and investment assumptions. Actual results could differ materially from those estimates. Management monitors actual claims experience and, if circumstances warrant, with the actuary's assistance, revises its assumptions and the related future claim benefit estimates.

Note B: Fair Value of Financial Instruments
 The MEWA has financial instruments, none of which are held for trading purposes. The MEWA estimates that the fair value of all financial instruments at May 31, 2019 and 2018 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The estimated fair value amounts have been determined by the MEWA using available market information and appropriate valuation methodologies. Considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value, and accordingly, the estimates are not necessarily indicative of the amounts that the MEWA could realize in a current market exchange.

Note C: Concentration of Credit Risk
 The MEWA maintains cash balances at a local bank. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The MEWA does not believe it is exposed to any significant credit risk for cash and cash equivalents.

Note D: Cash and Cash Equivalents
 Cash and cash equivalents at May 31, 2019 and 2018 consist of cash in banks totaling \$288,075 and \$466,428.

Note E: Certificates of Deposit
 At May 31, 2019 and 2018, the MEWA owned certificates of deposit in the amount of \$1,830,800 and \$1,811,814 with maturity dates from June 28, 2019 through December 21, 2021. Interest rates vary from 1.20% to 3.25% and 1.20% to 2.33% at May 31, 2019 and 2018.

Note F: Property and Equipment and Depreciation Expense
 The following is a summary of property and equipment:

	2019	2018
Furniture and Fixtures	\$ 291,190	\$ 289,957
Leasehold Improvements	-	3,786
	291,190	293,743
Less Accumulated Depreciation	(257,136)	(209,226)
	<u>\$ 34,054</u>	<u>\$ 84,517</u>

**Ag Benefits
Amarillo, Texas
Notes To the Consolidated Financial Statements
May 31, 2019 and 2018**

Depreciation expense is \$50,463 and \$54,560 for the years ended May 31, 2019 and 2018, all of which is charged to operations.

Note G: Unpaid Claims Reserves

The reserve for unpaid claims and claim adjustment expenses is based on the estimated amount payable on claims reported prior to the balance sheet date that have not yet been settled, claims reported subsequent to the balance sheet date that have been incurred during the period then ended, and an estimate (based on prior experience) of incurred but unreported claims relating to such period.

Activity in the liability for unpaid claims and claim adjustment expenses for the MEWA's health coverages is summarized as follows:

	2019	2018
Balance, Beginning of Year	\$ 972,705	\$ 874,718
Amount Incurred Related to Current Year	6,745,396	6,157,692
Amount Paid, Related to Current Year	<u>(6,734,223)</u>	<u>(6,059,705)</u>
Balance, End of Year	<u>\$ 983,878</u>	<u>\$ 972,705</u>

Note H: Interest and Bank Charges

Interest and bank charge expense is \$743 and \$4,650 for the periods ended May 31, 2019 and 2018, all of which is charged to operations.

Note I: Reinsurance

The MEWA utilizes stop loss reinsurance agreements to reduce its exposure to large losses for its self-funded health plan. Such reinsurance permits recovery of a portion of losses from reinsurers, although it does not discharge the primary liability of the MEWA for the risks reinsured. The MEWA evaluates the financial strength of potential reinsurers and continually monitors the financial condition of reinsurers.

Note J: Compensated Absences

Employees of the MEWA are entitled to paid vacation and paid sick days depending on length of service and other factors. It is the MEWA's policy to recognize the costs of compensated absences when actually paid to employees.

Note K: Retirement Plan

The MEWA has a 401(k) Plan ("Plan") to provide retirement benefits for its employees. Employees may contribute from 1% to 6% of their annual compensation to the Plan, limited to a maximum annual amount as set periodically by the Internal Revenue Service. The MEWA contributes 6% of employee's annual compensation. All contributions vest immediately.

MEWA contributions to the Plan totaled \$35,726 and \$38,139 for the years ended May 31, 2019 and 2018.

Note L: Leases

The MEWA leases office spaces under an operating lease expiring October 31, 2020.

Minimum future rental payments as of May 31, 2019, are as follows:

Ag Benefits
Amarillo, Texas
Notes To the Consolidated Financial Statements
May 31, 2019 and 2018

Year Ended	
2019	\$ 86,572
2020	71,385
Total Minimum Future Rental Payments	<u>\$ 157,957</u>

Note M: Commitments and Contingencies

Ag Benefits has entered into an agreement for a non-transferable, non-exclusive, license to access, use and for support of health software from a company for its own internal use. The term of the lease is for five (5) years ending December 23, 2018. The agreement auto-renews for one year after the initial term.

Note N: Related Party Transactions

Sales to related parties were \$1,223,108 for the year ended May 31, 2019. These amounts have been eliminated in the consolidated financial statements.

Loans receivable from related parties was \$119,644 and loans payable in the same amount included in the related party financial statements have been eliminated in the consolidated financial statements.

Notes receivable of \$100,000 from related parties and notes payable in the same amount included in the related party financial statements have been eliminated in the consolidated financial statements.

	2019	2018
Texas Ag Benefit Administrators effective June 1, 2015, principle amount \$100,000 with an annual fixed interest rate of 4.00%. Principle and interest are due beginning December 1, 2018 through November 1, 2023.	<u>\$ 100,000</u>	<u>\$ -</u>

Note O: Subsequent Events

On August 5, 2019 the board of trustee's met for the purpose of reviewing the actuarial projection and to discuss the future and ongoing operations of the MEWA. As a result of the actuarial projections it was determined that it would be in the best interest of the covered groups to terminate operations of the MEWA. The MEWA will assist in finding new coverage for the groups by October 31, 2019 or as soon thereafter as possible.

Note P: Going Concern

Substantial doubt about an entity's ability to continue as a going concern exists when conditions and events, considered in the aggregate, indicate that it is probable that the entity will be unable to meet its obligations as they become due within one year after the date that the financial statements are issued. Due to the results of the actuarial projections and the resulting actions taken by the board of trustees (discussed in Note O), it has become apparent that the MEWA no longer has the ability to continue as a going concern.

Additional Information



MOSELEY & RIDDLE, INC.

Certified Public Accountants

Independent Auditors' Report on Additional Information

To the Board of Directors
Ag Benefits
Amarillo, Texas

We have audited the consolidated financial statements of Texas Agricultural Cooperative Trust & Subsidiaries as of and for the years ended May 31, 2019 and 2018, and have issued our report thereon dated August 26, 2019, which expressed an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The additional information in pages 12 through 36 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Moseley & Riddle, Inc.

August 26, 2019

**Ag Benefits
Amarillo, Texas
Consolidating Balance Sheet
May 31, 2019**

	Ag Benefits	Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions	TACT Insurance Agency, Inc.	Consolidating Eliminations	Consolidated Balances
Assets					
Current Assets					
Unrestricted Cash	\$ 239,889	\$ 43,491	\$ 4,695	\$ -	\$ 288,075
Restricted Cash	-	-	-	-	-
Total Cash and Cash Equivalents	<u>239,889</u>	<u>43,491</u>	<u>4,695</u>	<u>-</u>	<u>288,075</u>
Certificates of Deposit	1,830,800	-	-	-	1,830,800
Other Receivables	-	-	3,863	-	3,863
Accounts Receivable, Net	604,075	11,581	-	-	615,656
Prepaid Expenses	5,308	5,362	-	-	10,670
Total Current Assets	<u>2,680,072</u>	<u>60,434</u>	<u>8,558</u>	<u>-</u>	<u>2,749,064</u>
Other Assets					
Investment	1,100	-	-	(1,100)	-
Loans receivable-related party	119,644	-	-	(119,644)	-
Note receivable-related party	100,000	-	-	(100,000)	-
Property and Equipment, Net	14,096	19,958	-	-	34,054
Total Other Assets	<u>234,840</u>	<u>19,958</u>	<u>-</u>	<u>(220,744)</u>	<u>34,054</u>
Total Assets	\$ <u>2,914,912</u>	\$ <u>80,392</u>	\$ <u>8,558</u>	\$ <u>(220,744)</u>	\$ <u>2,783,118</u>

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Consolidating Balance Sheet
May 31, 2019

	Ag Benefits	Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions	TACT Insurance Agency, Inc.	Consolidating Eliminations	Consolidated Balances
Liabilities and Equity					
Current Liabilities					
IBNR Reserves	\$ 983,878	\$ -	\$ -	\$ -	\$ 983,878
Accounts Payable	1,035,653	8,970	-	-	1,044,623
Deferred Revenue	673,654	-	-	-	673,654
Accrued Expenses	589	-	-	-	589
Total Current Liabilities	<u>2,693,774</u>	<u>8,970</u>	<u>-</u>	<u>-</u>	<u>2,702,744</u>
Long-term Liabilities					
Loans payable-related party	-	119,644	-	(119,644)	-
Note Payable-Related Party	-	100,000	-	(100,000)	-
Total Long-term Liabilities	<u>-</u>	<u>219,644</u>	<u>-</u>	<u>(219,644)</u>	<u>-</u>
Total Liabilities	<u>2,693,774</u>	<u>228,614</u>	<u>-</u>	<u>(219,644)</u>	<u>2,702,744</u>
Equity					
Restricted Contingency Reserves	1,144,122	-	-	-	1,144,122
Common Stock	-	100	1,000	(1,100)	-
Other Comprehensive Income	-	(148,322)	7,558	-	(140,764)
Retained Earnings	(922,984)	-	-	-	(922,984)
Surplus	221,138	(148,222)	8,558	(1,100)	80,374
Total Equity	<u>2,914,912</u>	<u>80,392</u>	<u>8,558</u>	<u>(220,744)</u>	<u>2,783,118</u>
Total Liabilities and Equity	<u>\$ 2,914,912</u>	<u>\$ 80,392</u>	<u>\$ 8,558</u>	<u>\$ (220,744)</u>	<u>\$ 2,783,118</u>

See auditors' report on additional information.

**Ag Benefits
Amarillo, Texas
Consolidating Statement of Income
For the Year Ended May 31, 2019**

	Ag Benefits	Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions	TACT Insurance Agency, Inc.	Consolidating Eliminations	Consolidated Balances
Revenues					
Contribution Collections - Medical	\$ 7,740,475	-	-	-	\$ 7,740,475
Contribution Collections - Dental	219,651	-	-	-	219,651
Claim Payment Refunds	70,242	-	-	-	70,242
Medical Excess Claim Reimbursements	90,472	-	-	-	90,472
Medical premiums	-	1,274,968	-	(1,090,581)	184,387
Transplant premiums	-	84,088	-	(56,157)	27,931
Administration Fees	-	219,909	-	(76,370)	143,539
Commissions	-	99,294	2,015	-	101,309
Rebates-Refunds	258,850	2,802	-	-	261,652
Flu Shots	8,040	-	-	-	8,040
Change in IBNR Reserves	-	-	-	-	-
Plan Management Fees	-	82,001	-	-	82,001
Total Revenues	<u>8,387,730</u>	<u>1,763,062</u>	<u>2,015</u>	<u>(1,223,108)</u>	<u>8,929,699</u>
Total Operating Expenses	<u>9,625,185</u>	<u>1,840,381</u>	<u>-</u>	<u>(1,223,108)</u>	<u>10,242,458</u>
Income (Loss) From Operations	<u>(1,237,455)</u>	<u>(77,319)</u>	<u>2,015</u>	<u>-</u>	<u>(1,312,759)</u>
Other Income and Expenses					
Other Income (expense)	19,414	11,832	-	-	31,246
Gain on disposition of investments	3,455	-	-	-	3,455
Interest Income	28,255	-	-	-	28,255
Interest expense	(654)	(31)	(58)	-	(743)
Total Other Income and Expenses	<u>50,470</u>	<u>11,801</u>	<u>(58)</u>	<u>-</u>	<u>62,213</u>
Net Income (Loss) before Other Comprehensive Income	<u>(1,186,985)</u>	<u>(65,518)</u>	<u>1,957</u>	<u>-</u>	<u>(1,250,546)</u>
Other Comprehensive Income					
Unrealized gain/(loss) on CD's	15,531	-	-	-	15,531
Total Other Comprehensive Income	<u>15,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,531</u>
Net Income (Loss)	<u>\$ (1,171,454)</u>	<u>\$ (65,518)</u>	<u>\$ 1,957</u>	<u>\$ -</u>	<u>\$ (1,235,015)</u>

See auditors' report on additional information.

**Ag Benefits
Amarillo, Texas
Consolidating Statements of Equity
For the Years Ended May 31, 2019 and 2018**

	Restricted Contingency Reserves	Surplus	Common Stock	Other Comprehensive Income	Retained Earnings	Total
Balance at end of year, May 31, 2017	\$ 857,622	\$ 306,721	\$ 1,100	\$ -	\$ (115,873)	\$ 1,049,570
Net income (loss)	-	(42,720)	-	(15,531)	38,670	(19,581)
Consolidating eliminations	-	-	(1,100)	-	-	(1,100)
Change in reserves	<u>(78,778)</u>	-	-	-	-	<u>(78,778)</u>
Balance at end of year, May 31, 2018	\$ 778,844	\$ 264,001	\$ -	\$ (15,531)	\$ (77,203)	\$ 950,111
Net income (loss)	-	(1,186,985)	-	15,531	(63,561)	(1,235,015)
Consolidating eliminations	-	-	-	-	-	-
Change in reserves	<u>365,278</u>	-	-	-	-	<u>365,278</u>
Balance at end of year, May 31, 2019	\$ <u>1,144,122</u>	\$ <u>(922,984)</u>	\$ -	\$ -	\$ <u>(140,764)</u>	\$ <u>80,374</u>

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Consolidating Statement of Cash Flows
For the Year Ended May 31, 2019

	Ag Benefits	Texas Ag Benefit Administrators, Inc. DBA Bentley Solutions	TACT Insurance Agency, Inc.	Consolidating Eliminations	Consolidated Balances
Cash Flows From Operating Activities:					
Cash received from customers	\$ 7,744,451	\$ 1,350,140	\$ -	\$ (1,146,738)	\$ 7,947,853
Cash received from administration	-	231,490	-	(76,370)	155,120
Cash received from commissions/refunds	70,242	99,294	2,015	-	171,551
Cash received from disposition of assets	3,455	-	-	-	3,455
Cash received from medical excess claim reimbursements	90,472	-	-	-	90,472
Cash received for interest income	28,255	-	-	-	28,255
Cash received for other income	19,414	11,832	-	-	31,246
Cash received from deferred income	673,654	-	-	-	673,654
Cash received for endorsement fees	-	-	-	-	-
Cash received from plan management fees	-	82,001	-	-	82,001
Cash paid for claims	(6,079,248)	-	-	-	(6,079,248)
Cash paid for premiums-health	(282,909)	(302,876)	-	282,909	(302,876)
Cash paid for premiums-dental	(158,225)	-	-	-	(158,225)
Cash paid for reinsurance	(690,099)	(909,050)	-	690,099	(909,050)
Cash paid for captivated services	-	(8,807)	-	-	(8,807)
Cash paid for claims software fees	-	(86,709)	-	-	(86,709)
Cash paid for administrative expenses	(250,100)	(217,295)	-	250,100	(217,295)
Cash paid for other overhead expenses	(1,153,929)	(426,092)	(58)	-	(1,580,079)
Interest and bank charges paid	(654)	(31)	-	-	(685)
Net Cash Provided (Used) by Operating Activities	14,779	(176,103)	1,957	-	(159,367)
Cash Flows From Investing Activities:					
Purchase of property and equipment	-	-	-	-	-
(Increase) decrease of certificates of deposit	(18,986)	-	-	-	(18,986)
Net Cash Provided (Used) by Investing Activities	(18,986)	-	-	-	(18,986)
Cash Flows From Financing Activities:					
Change in Long-term Loans-related party	(119,644)	119,644	-	-	-
Net Cash Provided (Used) by Financing Activities	(119,644)	119,644	-	-	-
Net Increase (Decrease) in Cash and Cash Equivalents	(123,851)	(56,459)	1,957	-	(178,353)
Cash and Cash Equivalents, Beginning of Year	363,740	99,950	2,738	-	466,428
Cash and Cash Equivalents, End of Year	\$ 239,889	\$ 43,491	\$ 4,695	\$ -	\$ 288,075

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Consolidating Statement of Cash Flows (continued)
For the Year Ended May 31, 2019

	Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions	TACT Insurance Agency, Inc.	Consolidating Eliminations	Consolidated Balances
Reconciliation of Net Income to Net Cash Provided by Operating Activities:				
Net income (loss)	\$ (1,171,454)	\$ 1,957	\$ -	\$ (1,235,015)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:				
Depreciation	44,440	-	-	50,463
Increase (decrease) in IBNR reserves	11,173	-	-	11,173
Increase (decrease) in Restricted Contingency Reserve	365,278	-	-	365,278
Changes in Assets and Liabilities				
(Increase) decrease other receivables	121,510	-	-	121,510
(Increase) decrease in accounts receivable	(604,075)	-	-	(592,357)
(Increase) decrease in prepaid expenses	(2,335)	-	-	1,450
Increase (decrease) in accounts payable	666,148	-	-	537,900
Increase (decrease) in accrued expenses	(1,011)	-	-	(1,011)
Increase (decrease) in deferred revenue	585,105	-	-	585,105
Increase (decrease) in other accrued expenses	-	-	-	(3,863)
Net Cash Provided (Used) by Operating Activities	<u>14,779</u>	<u>1,957</u>	<u>-</u>	<u>(159,367)</u>
Cash Flows From Investing Activities:				
Purchase of property and equipment	-	-	-	-
(Increase) decrease of certificates of deposit	(18,986)	-	-	(18,986)
Net Cash Provided (Used) by Investing Activities	<u>(18,986)</u>	<u>-</u>	<u>-</u>	<u>(18,986)</u>
Cash Flows From Financing Activities:				
Change in Long-term Payables-related party	-	-	(119,644)	-
Change in Long-term Receivables-related party	(119,644)	-	119,644	-
Net Cash Provided (Used) by Financing Activities	<u>(119,644)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(123,851)	1,957	-	(178,353)
Cash and Cash Equivalents, Beginning of Year	363,740	2,738	-	466,428
Cash and Cash Equivalents, End of Year	<u>\$ 239,889</u>	<u>\$ 4,695</u>	<u>\$ -</u>	<u>\$ 288,075</u>
Supplemental Disclosures of Cash Flow Information:				
Cash Paid During the Year For:				
Interest and bank charges	\$ 654	\$ 31	\$ -	\$ 743
Rent	\$ 19,200	\$ 66,792	\$ -	\$ 85,992

See auditors' report on additional information.

**Ag Benefits
Amarillo, Texas
Consolidating Statement of Operating Expenses
For the Year Ended May 31, 2019**

Expenses	Ag Benefits	Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions	TACT Insurance Agency, Inc.	Consolidating Eliminations	Consolidated Balances
Payroll Expenses					
Salaries	\$ 606,789	\$ -	\$ -	\$ -	\$ 606,789
Employee Benefits	103,944	-	-	-	103,944
Payroll Taxes	46,879	-	-	-	46,879
	<u>757,612</u>				<u>757,612</u>
Administrative Services - Dental	19,624	-	-	(19,624)	-
Administrative Services - Medical	70,446	31,264	-	(70,446)	31,264
Advertising	19,207	1,097	-	-	20,304
Aggregate Contract Reinsurance	23,642	33,277	-	(23,642)	33,277
Bad debt expense	-	41,779	-	-	41,779
Captivated Services	-	8,807	-	-	8,807
Change in IBNR Reserves	11,173	-	-	-	11,173
Change in Restricted Contingency Reserve Funding	365,278	-	-	-	365,278
Claims Paid	6,745,396	-	-	-	6,745,396
Claims Software fees	-	86,709	-	-	86,709
Commissions	41,258	9,923	-	-	51,181
Contract Labor	36,539	33,595	-	-	70,134
Depreciation Expense	44,440	6,023	-	-	50,463
Dues	2,770	4,797	-	-	7,567
Employee Education Expense	375	200	-	-	575
Insurance	6,788	16,907	-	-	23,695
Legal and Professional Services	105,083	1,174	-	-	106,257
Meals and Entertainment	2,206	436	-	-	2,642
Miscellaneous Expense	1,409	716	-	-	2,125
Office Supplies and Expenses	10,834	93,050	-	-	103,884
PCORI Research Fees	2,229	-	-	-	2,229
PPO Administrative Fees	160,030	186,031	-	(160,030)	186,031
Premiums	282,909	302,876	-	(282,909)	302,876
Registration Fees	3,587	4,606	-	-	8,193
Reimbursements - Dental	158,225	-	-	-	158,225
Rent	19,200	66,792	-	-	85,992
Specific Contract Reinsurance	666,457	875,773	-	(666,457)	875,773
Taxes, Licenses and Fees	586	200	-	-	786
Telephone	4,510	12,722	-	-	17,232
Travel	23,637	13,763	-	-	37,400
Website and Computer Expense	-	6,420	-	-	6,420
Wellness Screening	39,735	1,444	-	-	41,179
Total Operating Expenses	\$ 9,625,185	\$ 1,840,381	\$ -	(1,223,108)	\$ 10,242,458

Ag Benefits

**Ag Benefits
Amarillo, Texas
Balance Sheets
May 31, 2019 and 2018**

Assets	2019	2018
Current Assets		
Unrestricted Cash	\$ 239,889	\$ 363,740
Restricted Cash	-	-
Total Cash and Cash Equivalents	<u>239,889</u>	<u>363,740</u>
Certificates of Deposit	1,830,800	1,811,814
Other Receivables	-	121,510
Accounts Receivable, Net	604,075	-
Prepaid Expenses	<u>5,308</u>	<u>2,973</u>
Total Current Assets	<u>2,680,072</u>	<u>2,300,037</u>
Other Assets		
Investment	1,100	1,100
Loans Receivable-related party	119,644	-
Note Receivable-related party	100,000	100,000
Property and Equipment, Net	<u>14,096</u>	<u>58,536</u>
Total Other Assets	<u>234,840</u>	<u>159,636</u>
Total Assets	<u>\$ 2,914,912</u>	<u>\$ 2,459,673</u>
Liabilities and Equity		
Current Liabilities		
Accounts Payable	\$ 1,035,653	\$ 369,505
Accrued Expenses	589	1,600
IBNR Reserves	983,878	972,705
Deferred Revenue	<u>673,654</u>	<u>88,549</u>
Total Liabilities	<u>2,693,774</u>	<u>1,432,359</u>
Equity		
Restricted Contingency Reserves	1,144,122	778,844
Other Comprehensive Income	-	(15,531)
Surplus	<u>(922,984)</u>	<u>264,001</u>
Total Equity	<u>221,138</u>	<u>1,027,314</u>
Total Liabilities and Equity	<u>\$ 2,914,912</u>	<u>\$ 2,459,673</u>

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Statements of Income
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues		
Contribution Collections - Medical	\$ 7,740,475	\$ 7,957,662
Contribution Collections - Dental	219,651	241,403
Claim Payment Refunds	70,242	54,878
Medical Excess Claim Reimbursements	90,472	0
Rebates	258,850	30,112
Flu Shots	8,040	6,240
Change in Restricted Contingency Reserve Funding	-	78,778
Total Revenues	<u>8,387,730</u>	<u>8,369,073</u>
Total Operating Expenses	<u>9,625,185</u>	<u>8,462,553</u>
Income (Loss) From Operations	<u>(1,237,455)</u>	<u>(93,480)</u>
Other Income and Expenses		
Other Income	19,414	23,329
Gain on disposition of investments	3,455	0
Interest Income	28,255	31,800
Interest expense	(654)	(4,369)
Total other income and expenses	<u>50,470</u>	<u>50,760</u>
Net Income (Loss) before Other Comprehensive Income	<u>(1,186,985)</u>	<u>(42,720)</u>
Other Comprehensive Income		
Unrealized gain/(loss) on CD's	<u>15,531</u>	<u>(15,531)</u>
Total Other Comprehensive Income	<u>15,531</u>	<u>(15,531)</u>
Net Income (Loss)	<u>\$ (1,171,454)</u>	<u>\$ (58,251)</u>

See auditors' report on additional information.

**Ag Benefits
Amarillo, Texas
Statements of Equity
For the Years Ended May 31, 2019 and 2018**

	<u>Restricted Contingency Reserves</u>	<u>Other Comprehensive Income</u>	<u>Surplus</u>	<u>Total</u>
Balance at beginning of year, June 1, 2017	\$ 857,622	\$ -	\$ 306,721	\$ 1,164,343
Net income (loss)	-	(15,531)	(42,720)	(58,251)
Change in reserves	<u>(78,778)</u>	<u>-</u>	<u>-</u>	<u>(78,778)</u>
Balance at end of year, May 31, 2018	778,844	(15,531)	264,001	1,027,314
Net income (loss)	-	15,531	(1,186,985)	(1,171,454)
Change in reserves	<u>365,278</u>	<u>-</u>	<u>-</u>	<u>365,278</u>
Balance at end of year, May 31, 2019	<u>\$ 1,144,122</u>	<u>\$ -</u>	<u>\$ (922,984)</u>	<u>\$ 221,138</u>

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Statements of Cash Flows
For the Years Ended May 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities:		
Cash received from customers	\$ 7,744,451	\$ 8,236,312
Cash received from refunds	70,242	54,878
Cash received from disposition of investments	3,455	-
Cash received from medical excess claim reimbursements	90,472	122,572
Cash received for interest income	28,255	26,800
Cash received for other income	19,414	23,329
Cash received for deferred income	673,654	88,549
Cash received for endorsement fees		-
Cash paid for claims	(6,079,248)	(6,300,242)
Cash paid for premiums-health	(282,909)	(269,646)
Cash paid for premiums-dental	(158,225)	(209,186)
Cash paid for reinsurance	(690,099)	(345,652)
Cash paid for administrative expenses	(250,100)	(209,706)
Cash paid for other overhead expenses	(1,153,929)	(1,144,519)
Interest and bank charges paid	(654)	(4,369)
Net Cash Provided (Used) by Operating Activities	<u>14,779</u>	<u>69,120</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	(9,543)
(Increase) decrease of certificates of deposit	(18,986)	41,031
Net Cash Provided (Used) by Investing Activities	<u>(18,986)</u>	<u>31,488</u>
Cash Flows From Financing Activities:		
Long-term loans-related party	(119,644)	-
Long-term notes payable-related party	-	(100,000)
Net Cash Provided (Used) by Financing Activities	<u>(119,644)</u>	<u>(100,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(123,851)</u>	<u>608</u>
Cash and Cash Equivalents, Beginning of Year	<u>363,740</u>	<u>363,132</u>
Cash and Cash Equivalents, End of Year	<u>\$ 239,889</u>	<u>\$ 363,740</u>

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Statements of Cash Flows (continued)
For the Years Ended May 31, 2019 and 2018

	2019	2018
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Net comprehensive income (loss)	\$ (1,171,454)	\$ (58,251)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	44,440	43,653
Increase (decrease) in IBNR reserves	11,173	97,987
Increase (decrease) in Restricted Contingency reserve	365,278	(78,778)
Changes in Assets and Liabilities		
(Increase) decrease other receivables	121,510	42,711
(Increase) decrease in reinsurance claims receivables	-	132,217
(Increase) decrease in accounts receivable	(604,075)	895
(Increase) decrease in prepaid expenses	(2,335)	15,328
Increase (decrease) in accounts payable	666,148	(151,926)
Increase (decrease) in accrued expenses	(1,011)	1,600
Increase (decrease) in deferred revenue	585,105	23,684
Net Cash Provided by Operating Activities	<u>14,779</u>	<u>69,120</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	(9,543)
(Increase) decrease of certificates of deposit	(18,986)	41,031
Net Cash Provided (Used) by Investing Activities	<u>(18,986)</u>	<u>31,488</u>
Cash Flows From Financing Activities:		
Change in long-term receivables-related party	(119,644)	-
Change in notes receivable-related party	-	(100,000)
Net Cash Provided (Used) by Financing Activities	<u>(119,644)</u>	<u>(100,000)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(123,851)	608
Cash and Cash Equivalents, Beginning of Year	363,740	363,132
Cash and Cash Equivalents, End of Year	<u>\$ 239,889</u>	<u>\$ 363,740</u>
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year For:		
Interest and bank charges	\$ 654	\$ 4,369
Rent	19,200	19,200

See auditors' report on additional information.

Ag Benefits
Amarillo, Texas
Statements of Operating Expenses
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Payroll Expenses		
Salaries	\$ 606,789	\$ 620,026
Employee Benefits	103,944	114,551
Payroll Taxes	<u>46,879</u>	<u>49,486</u>
	757,612	784,063
Administrative Services - Dental	19,624	19,288
Administrative Services - Medical	70,446	59,250
Advertising	19,207	20,845
Aggregate Contract Reinsurance	23,642	21,139
Captivated Services	-	32,179
Change in IBNR reserves	11,173	97,987
Change in Restricted Contingency Reserve Funding	365,278	-
Claims Paid	6,745,396	6,157,692
Commissions	41,258	32,621
Contract Labor	36,539	7,546
Customer Relations	-	11,092
Depreciation Expense	44,440	43,653
Directors Expense	-	1,535
Dues	2,770	9,315
Employee Education Expense	375	2,608
Insurance	6,788	5,596
Legal and Professional Services	105,083	60,136
Meals and Entertainment	2,206	2,436
Miscellaneous	1,409	-
Office Supplies and Expenses	10,834	19,387
PCORI Research Fees	2,229	1,877
PPO Administrative Fees	160,030	131,168
Premiums	282,909	269,646
Refunds	-	15,586
Registration Fees	3,587	2,350
Reimbursements - Dental	158,225	209,186
Rent	19,200	19,200
Repairs and Maintenance	-	4,059
Specific Contract Reinsurance	666,457	324,513
Taxes, Licenses and Fees	586	1,872
Telephone	4,510	6,207
Travel	23,637	23,171
Website and Computer Expense	-	5,397
Wellness Screening	<u>39,735</u>	<u>59,953</u>
Total Operating Expenses	<u>\$ 9,625,185</u>	<u>\$ 8,462,553</u>

See auditors' report on additional information.

TEXAS AG BENEFIT ADMINISTRATORS, INC. DBA BENTEGRITY SOLUTIONS

Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions
Amarillo, Texas
Balance Sheets
May 31, 2019 and 2018

	2019	2018
Assets		
Current Assets		
Unrestricted Cash	\$ 43,491	\$ 99,950
Restricted Cash	-	-
Total Cash and Cash Equivalents	<u>43,491</u>	<u>99,950</u>
Accounts Receivable, Net	11,581	23,299
Other Receivables	-	-
Prepaid Expenses	5,362	9,147
Total Current Assets	<u>60,434</u>	<u>132,396</u>
Other Assets		
Property and Equipment, Net	19,958	25,981
Total Other Assets	<u>19,958</u>	<u>25,981</u>
Total Assets	<u>\$ 80,392</u>	<u>\$ 158,377</u>
Liabilities and Equity		
Current Liabilities		
Accounts Payable	\$ 8,970	\$ 137,218
Other Accrued Expenses	-	3,863
Deferred revenue	-	-
Total Current Liabilities	<u>8,970</u>	<u>141,081</u>
Long-term Liabilities		
Loans payable-Ag Benefits	119,644	-
Note payable-Ag Benefits	100,000	100,000
Total Long-term Liabilities	<u>219,644</u>	<u>100,000</u>
Total Liabilities	<u>228,614</u>	<u>241,081</u>
Equity		
Common Stock	100	100
Retained Earnings	(148,322)	(82,804)
Total Equity	<u>(148,222)</u>	<u>(82,704)</u>
Total Liabilities and Equity	<u>\$ 80,392</u>	<u>\$ 158,377</u>

See auditors' report on additional information.

Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions
Amarillo, Texas
Statements of Income
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues		
Medical premiums	\$ 1,274,968	\$ 1,512,480
Transplant premiums	84,088	127,588
Administration fees	219,909	311,034
Commissions	99,294	83,407
Claim payment refunds	2,802	43,677
Plan management fees	82,001	181,661
Endorsement Fees	-	4,000
Total Revenues	<u>1,763,062</u>	<u>2,263,847</u>
Total Operating Expenses	<u>1,840,381</u>	<u>2,227,655</u>
Income (Loss) From Operations	<u>(77,319)</u>	<u>36,192</u>
Other Income and Expenses		
Other Income (expense)	11,832	8,092
Consulting fees	-	-
Interest expense	(31)	(5,077)
Total other income and expenses	<u>11,801</u>	<u>3,015</u>
Net Income (Loss)	<u>\$ (65,518)</u>	<u>\$ 39,207</u>

See auditors' report on additional information.

Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions
Amarillo, Texas
Statements of Equity
For the Years Ended May 31, 2019 and 2018

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at beginning of year, June 1, 2017	\$ 100	\$ (122,011)	\$ (121,911)
Net income (loss)	<u>-</u>	<u>39,207</u>	<u>39,207</u>
Balance at end of year, May 31, 2018	100	(82,804)	(82,704)
Net income (loss)	<u>-</u>	<u>(65,518)</u>	<u>(65,518)</u>
Balance at end of year, May 31, 2019	<u>\$ 100</u>	<u>\$ (148,322)</u>	<u>\$ (148,222)</u>

See auditors' report on additional information.

Texas Ag Benefit Administrators, Inc. DBA Bentegrity S
Amarillo, Texas
Statements of Cash Flows
For the Years Ended May 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities:		
Cash received from customers	\$ 1,350,140	\$ 1,683,745
Cash received from administration	231,490	287,735
Cash received from commissions/refunds	99,294	83,407
Cash received from plan management fees	82,001	181,661
Cash received from plan endorsement fees	-	4,000
Cash received for other income (expense)	11,832	8,092
Cash paid for captivated services	(8,807)	(56,728)
Cash paid for claims software fees	(86,709)	(97,985)
Cash paid for reinsurance	(909,050)	(1,019,748)
Cash paid for premiums	(302,876)	(331,839)
Cash paid for administrative expenses	(217,295)	(248,570)
Cash paid for other overhead expenses	(426,092)	(408,954)
Interest and bank charges paid	(31)	(77)
Net Cash Provided (Used) by Operating Activities	<u>(176,103)</u>	<u>84,739</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	(7,599)
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(7,599)</u>
Cash Flows From Financing Activities:		
Cash received from Ag Benefits	119,644	-
Net Cash Provided (Used) by Financing Activities	<u>119,644</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(56,459)	77,140
Cash and Cash Equivalents, Beginning of Year	99,950	22,810
Cash and Cash Equivalents, End of Year	<u>\$ 43,491</u>	<u>\$ 99,950</u>

See auditors' report on additional information.

Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions
Amarillo, Texas
Statements of Cash Flows (Continued)
For the Years Ended May 31, 2019 and 2018

	2019	2018
Reconciliation of Net Income (Loss) to Net Cash Provided (used)		
by Operating Activities:		
Net income (loss)	\$ (65,518)	\$ 39,207
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation	6,023	10,907
Changes in Assets and Liabilities		
(Increase) decrease in accounts receivable	11,718	(23,299)
(Increase) decrease in prepaid expenses	3,785	53,106
Increase (decrease) in accounts payable	(128,248)	(47,213)
Increase (decrease) in accrued expenses	(3,863)	-
Increase (decrease) in deferred revenue	-	(47,969)
Net Cash Provided (Used) by Operating Activities	<u>(176,103)</u>	<u>(15,261)</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	(7,599)
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>(7,599)</u>
Cash Flows From Financing Activities:		
Increase in long-term note payable-Ag Benefits	-	100,000
Increase in loans payable - Ag Benefits	119,644	-
Net Cash Provided (Used) by Financing Activities	<u>119,644</u>	<u>100,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(56,459)	77,140
Cash and Cash Equivalents, Beginning of Year	99,950	22,810
Cash and Cash Equivalents, End of Year	<u>\$ 43,491</u>	<u>\$ 99,950</u>
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year For:		
Interest and bank charges	\$ 31	\$ 77
Rent	66,792	68,241

See auditors' report on additional information.

Texas Ag Benefit Administrators, Inc. DBA Bentegrity Solutions
Amarillo, Texas
Statements of Operating Expenses
For the Years Ended May 31, 2019 and 2018

Expenses	2019	2018
Administrative Services	\$ 31,264	\$ 308
Advertising	1,097	9,517
Aggregate Contract Reinsurance	33,277	74,220
Bad debt expense	41,779	-
Captivated Services	8,807	56,728
Claims Software Fees	86,709	97,985
Commissions	9,923	19,248
Contract Labor	33,595	68,985
Depreciation Expense	6,023	10,907
Dues	4,797	2,775
Employee Education Expense	200	251
Insurance	16,907	4,347
Legal and Professional Services	1,174	26,756
Meals and Entertainment	436	1,905
Miscellaneous Expense	716	257
Office Supplies and Expenses	93,050	93,341
PPO Administrative Fees	186,031	248,262
Premiums	302,876	331,839
Refunds	-	25,000
Rent	66,792	68,241
Repairs and Maintenance	-	475
Registration Fees	4,606	2,977
Specific Contract Reinsurance	875,773	1,019,748
Taxes, Licenses and Fees	200	2,131
Telephone	12,722	6,022
Travel	13,763	15,117
Website and Computer Expense	6,420	37,364
Wellness Screening	1,444	2,949
Total Operating Expenses	\$ 1,840,381	\$ 2,227,655

See auditors' report on additional information.

TACT INSURANCE AGENCY, INC.

TACT Insurance Agency, Inc.
Amarillo, Texas
Balance Sheets
May 31, 2019 and 2018

	2019	2018
Assets		
Current Assets		
Unrestricted Cash	\$ 4,695	\$ 2,738
Restricted Cash	-	-
Total Cash and Cash Equivalents	<u>4,695</u>	<u>2,738</u>
Accounts Receivable, Net	<u>3,863</u>	<u>3,863</u>
Total Current Assets	<u>8,558</u>	<u>6,601</u>
Total Assets	<u>\$ 8,558</u>	<u>\$ 6,601</u>
Liabilities and Equity		
Current Liabilities		
Accounts Payable	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>
Equity		
Common Stock	1,000	1,000
Retained Earnings	<u>7,558</u>	<u>5,601</u>
Total Equity	<u>8,558</u>	<u>6,601</u>
Total Liabilities and Equity	<u>\$ 8,558</u>	<u>\$ 6,601</u>

See auditors' report on additional information.

TACT Insurance Agency, Inc.
Amarillo, Texas
Statements of Income
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues		
Commissions	\$ 2,015	\$ 6,210
Total Revenues	<u>2,015</u>	<u>6,210</u>
Total Operating Expenses	<u>-</u>	<u>8,043</u>
Income (Loss) From Operations	<u>2,015</u>	<u>(1,833)</u>
Other Income and Expenses		
Other Income	-	1,500
Interest expense	<u>(58)</u>	<u>-</u>
Total other income and expenses	<u>(57)</u>	<u>1,500</u>
Net Income (Loss)	<u>\$ 1,957</u>	<u>\$ (333)</u>

See auditors' report on additional information.

TACT Insurance Agency, Inc.
Amarillo, Texas
Statements of Equity
For the Years Ended May 31, 2019 and 2018

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance at beginning of year, June 1, 2017	\$ 1,000	\$ 6,138	\$ 7,138
Net income (loss)	-	(537)	(537)
Change in reserves	-	-	-
Balance at end of year, May 31, 2018	1,000	5,601	6,601
Net income (loss)	-	1,957	1,957
Change in reserves	-	-	-
Balance at end of year, May 31, 2019	<u>\$ 1,000</u>	<u>\$ 7,558</u>	<u>\$ 8,558</u>

See auditors' report on additional information.

TACT Insurance Agency, Inc.
Amarillo, Texas
Statements of Cash Flows
For the Years Ended May 31, 2019 and 2018

	2019	2018
Cash Flows From Operating Activities:		
Cash received from commissions	\$ 2,015	\$ 6,210
Cash received from other income	-	1,500
Cash paid for other overhead expenses	(58)	(8,247)
Net Cash Provided (Used) by Operating Activities	<u>1,957</u>	<u>(537)</u>
Cash Flows From Investing Activities:		
Purchase of property and equipment	-	-
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>-</u>
Cash Flows From Financing Activities:		
Long-term repayments	-	-
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,957	(537)
Cash and Cash Equivalents, Beginning of Year	<u>2,738</u>	<u>3,275</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,695</u>	<u>\$ 2,738</u>

See auditors' report on additional information.

TACT Insurance Agency, Inc.
Amarillo, Texas
Statements of Cash Flows (Continued)
For the Years Ended May 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Reconciliation of Net Income to Net Cash Provided by Operating Activities:		
Net income (Loss)	\$ 1,957	\$ (537)
(Increase) Decrease in Accounts Receivable	<u>-</u>	<u>-</u>
Net Cash Provided (used) by Operating Activities	<u>1,957</u>	<u>(537)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,957	(537)
Cash and Cash Equivalents, Beginning of Year	<u>2,738</u>	<u>3,275</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,695</u>	<u>\$ 2,738</u>
Supplemental Disclosures of Cash Flow Information:		
Cash Paid During the Year For:		
Interest and bank charges	\$ 58	\$ 204
Rent	<u>-</u>	<u>-</u>

See auditors' report on additional information.

TACT Insurance Agency, Inc.
Amarillo, Texas
Statements of Operating Expenses
For the Years Ended May 31, 2019 and 2018

Expenses	2019	2018
Dues	\$ -	\$ -
Endorsement fees	-	3,000
Insurance	-	0
Legal and Professional Services	-	0
Office Supplies and Expenses	-	5,043
Rent	-	-
Taxes, Licenses and Fees	-	-
Total Operating Expenses	\$ -	\$ 8,043

See auditors report on additional information.



MOSELEY & RIDDLE, INC.

Certified Public Accountants

August 26, 2019

To the Trustees
Ag Benefits
Amarillo, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the statutory financial statements of Ag Benefits for the year ended May 31, 2019, and have issued our report dated August 26, 2019. In connection therewith, we advise you as follows:

- (A) We are independent certified public accountants with respect to the MEWA and we conform to the standards of the accounting profession as contained in the Code of Professional Conduct and pronouncements of the American Institute of Certified Public Accountants and the Rules of Professional Conduct of the Texas State Board of Public Accountancy.
- (B) The engagement partner and engagement manager, who are certified public accountants, have 29 years and 36 years, respectively, of experience in public accounting. Members of the engagement team were assigned to perform tasks commensurate with their training and experience.
- (C) We understand that the MEWA intends to file its audited statutory financial statements and our report thereon with the Texas Department of Insurance (TDI), and that the Texas Insurance Commissioner will be relying on that information to monitor and regulate the statutory financial condition of the MEWA.

While we understand that an objective of issuing a report on the statutory financial statements is to satisfy regulatory requirements, our audit was not planned to satisfy all objectives or responsibilities of insurance regulators. In this context, the MEWA and the Commissioner should understand that the objective of an audit of statutory financial statements in accordance with generally accepted auditing standards is to form an opinion and issue a report on whether the statutory financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus results of operations and cash flow in conformity with accounting practices prescribed or permitted by TDI. Consequently, under generally accepted auditing standards, we have the responsibility, within the inherent limitations of the auditing process, to plan and perform our audit to obtain reasonable assurance about whether the statutory financial statements are free from material misstatement whether caused by error or fraud, and to exercise due care in the conduct of the audit. The concept of selective testing of the data being audited, which involves judgment both as to the number of transactions to be audited and the areas to be tested, has been generally accepted as a valid and sufficient basis for an auditor to express an opinion on financial statements. Audit procedures that are effective for detecting errors, if they exist, may be ineffective for detecting misstatement caused by fraud. Because of the characteristics of fraud, particularly those involving concealment and falsified documentation (including forgery), a properly planned and performed audit may

not detect a material misstatement resulting from fraud. In addition, an audit does not address the possibility that material errors or misstatements caused by fraud may occur in the future. Also, our use of professional judgment and the assessment of materiality for the purpose of our audit means that matters may exist that would have been assessed differently by insurance commissioners. It is the responsibility of the management of the MEWA to adopt sound accounting policies, to maintain an adequate and effective system of accounts, and to establish and maintain internal control that will, among other things, provide reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with accounting practices prescribed or permitted by TDI.

The Commissioner should exercise due diligence to obtain whatever other information that may be necessary for the purpose of monitoring and regulating the statutory financial position of insurers and should not rely solely upon the independent auditor's report.

- (D) We will retain the workpapers prepared in the conduct of our audit until TDI has filed a Report of Examination covering the period ended May 31, 2019, but not longer than seven years, and, on instructions from the MEWA, will make them available for review by TDI.
- (E) The engagement partner has served in that capacity with respect to the MEWA since inception, is licensed by the Texas State Board of Public Accountancy, and is a member in good standing of the American Institute of Certified Public Accountants.
- (F) To the best of our knowledge and belief, we are in compliance with the requirements of Section 7 of the NAIC's *Model Rule (Regulation) requiring Annual Audited Financial Reports* regarding qualifications of independent certified public accountants.

This report is intended solely for the information and use of TDI and is not intended to be and should not be used by anyone other than those specified parties.

Mosley & Pridle, Inc.