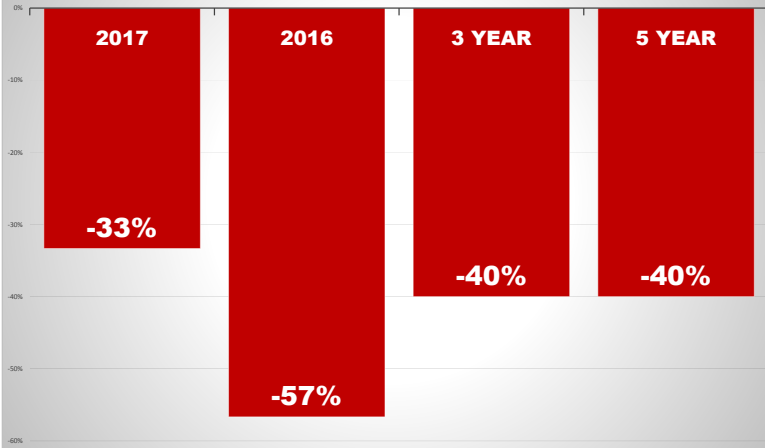




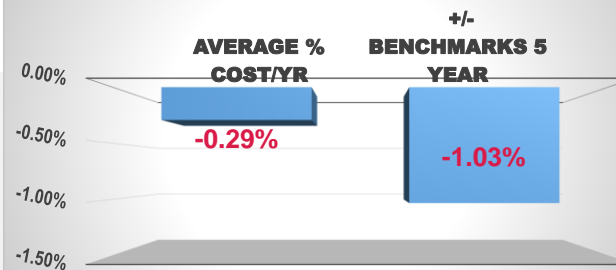
ABC Inc. 401k Profit Sharing Plan

Federal regulation 2550.408b-2 requires reviewing providers to determine they bring value and are "necessary." Federal regulation 2550.404a-5 requires disclosures to investors so they can evaluate performance versus benchmarks. This document was produced to aid in these efforts.

% of Funds Lagging Benchmarks



Participants' Investment Cost v. Return Comparison



Prudent Investor Rule Adherence

"The greater the trustee's departure from one of the valid passive strategies, the greater is likely to be the burden of justification and also of continuous monitoring."

No In 2017, were >50% of assets invested in passive institutional shares?

The Third Restatement of Trusts

"...emphasizes a duty to diversify, the avoidance of unjustified costs, and the importance of evaluating the portfolio as a whole..."

85% From 2015-2017 what % of the trust was in lagging funds?

Supreme Court May 18, 2015 Ruling

"Under trust law, a trustee has a continuing duty to monitor trust investments and remove imprudent ones."

41% What % of the investments beat their benchmarks 2008-2017?

Values from www.efast.dol.gov—also review and refer to your plan's annual 29 CFR 2550.404a-5 notice

% of Plan Assets Reviewed: **86%**

\$ Lag 2013	2014	2015	2016	2017	2018	<u>TOTAL \$ LAG</u>
-\$259,235	-\$115,279	-\$35,753	-\$129,699	-\$202,490	-\$181,903	-\$924,359
Distributions 2013	2014	2015	2016	2017	2018	<u>TOTAL PAID OUT</u>
\$656,649	\$768,624	\$1,062,109	\$388,298	?	?	\$ 2,875,680

ABC Inc. 401k Profit Sharing Plan

Due Diligence--facts for this plan's fiduciary investment "experts" under ERISA

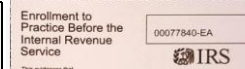
Independent Assessment Grade



"Much like a taxpayer's reliance on an attorney or an accountant, reliance on an enrolled agent is a factor we may consider in determining the reasonableness of a taxpayer's actions"

Per S&P Dow Jones '01-'16:

1 Have <25% of investments lagged prospectus benchmarks over the past 5 years?



8% 5% 7%

2 In 2017, were >50% of assets invested in passive institutional shares?

3 In 2017, was <25% of the trust invested in lagging funds?

4 Did over 75% of the investment menu meet or beat their benchmarks in 2017?

5 Did >50% of plan's active managers demonstrate skill by needing <40 years of monitoring time to prove outperformance?

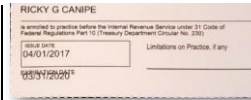
6 To show removal of imprudent funds, does www.efast.dol.gov show >25% of funds in 2012 replaced in 2016?

7 Do the fiduciaries prevent providers from increasing pay when new dollars are contributed by employees?

8 Are executives ready for a Labor or IRS exam by having meeting minutes, investment policies, monitoring reports?

9 Are executives ready for a Labor or IRS exam by acknowledging their "expert" status in writing?

10 Are executives sending employees an Annual Performance notice showing plan funds are outperforming benchmarks?

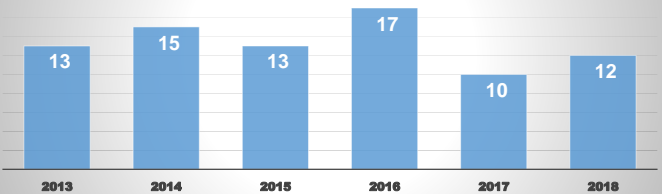


% largecap funds beat benchmark

% midcap funds beat benchmark

% smcap funds beat benchmark

Funds in Plan that Lagged Benchmarks by Year



8%

% of this plan's active managers demonstrating skill¹

¹ the % of managers' whose performance consistently beat their SEC prospectus benchmarks (over a <=20 year observation period)



(888)PlanLag
Data as of: Sep 30, 2018

PlanAnalyzersm

www.PlanAnalyzer.com



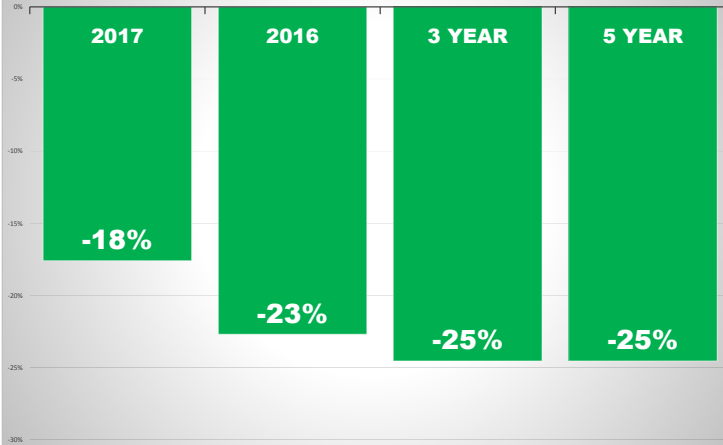
American Law Institute

ABC Inc. 401k Profit Sharing Plan

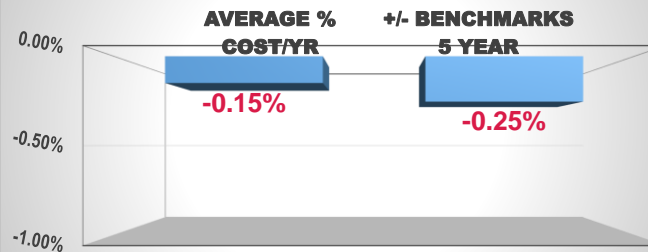
Prudent Investor Rule

Federal regulation 2550.408b-2 requires reviewing providers to determine they bring value and are "necessary." Federal regulation 2550.404a-5 requires disclosures to investors so they can evaluate performance versus benchmarks. This document was produced to aid in these efforts.

% of Funds Lagging Benchmarks



Participants' Investment Cost v. Return Comparison



Prudent Investor Rule Adherence

"The greater the trustee's departure from one of the valid passive strategies, the greater is likely to be the burden of justification and also of continuous monitoring."

Yes In 2017, were >50% of assets invested in passive institutional shares?

The Third Restatement of Trusts

"...emphasizes a duty to diversify, the avoidance of unjustified costs, and the importance of evaluating the portfolio as a whole..."

23% In 2017, what percent of the evaluated trust was invested in lagging funds?

Supreme Court May 18, 2015 Ruling

"Under trust law, a trustee has a continuing duty to monitor trust investments and remove imprudent ones."

82% What % of the investment menu met or beat their benchmarks in 2017?

Values from www.efast.dol.gov—also review and refer to your plan's annual 29 CFR 2550.404a-5 notice

% of Plan Assets Reviewed: **86%**

\$ Lag 2013	2014	2015	2016	2017	2018	TOTAL \$ LAG
\$925	-\$4,512	-\$7,100	\$8,318	-\$8,116	-\$16,003	-\$26,488
Out of 21731 Funds, # Beat	Out of 23230 Funds, # Beat	Out of 24758 Funds, # Beat	Out of 26422 Funds, # Beat	Out of 23964 Funds, # Beat	Out of 21878 Funds, # Beat	<u>5 yr % Beat</u>
10300	10536	6899	9493	7429	8237	32%

Failure to Act Triggers ERISA Liability

"Plan fiduciaries (CEO/CFO/HR) must address financial issues brought to their attention"

<http://ww2.cfo.com/human-capital-careers/2011/05/failure-to-act-triggers-erisa-liability/>

Given the plan's prior 6 year savings % plus 6%/yr fund returns, **over the next 6 years the** lagging funds' costs to staff will become:

-\$1,358,671.18

Adding this to the 2012-2017 lagging funds' cost totals:

-\$2,283,030.08

Because >80% fund managers underperform the calculation to the right determines if the manager adds value and if so, we use a t-statistic of 2 to ensure a 95% confidence level.



Calc PlanGrader review: ABC Inc. 401k Profit Sharing Plan

As of: Sep 30, 2018

% Index	12/12/2018	# funds	\$ 10,638,249.54	\$ 10,318,378	PLAN:	86%
20%	12	Rows 2016	\$ 86,814.11	(16,003.01)	\$ 86,814.11	50%
40.00%	30	18%	8,996,762	(181,903)	8,909,948.00	43,407.05

10	17	13	15	13	2017	2016	3 Year	5 Year	16
(8,115.96)	8,318.21	-87,100.10	-44,512.48	3,497,068	8925.10	-18%	-23%	-25%	41%
(202,490)	-129,698.83	-335,733.50	-515,278.87	55,744,085.78	-33%	-57%	-40%	-40%	-37%

prospectus benchmark	if manager beat primary benchmark, # years to determine skill?	index or passive fund	name	ticker	trust assets beg dietz from 5500	trust assets beg dietz from 5500	return	2018gl	2018 lag	2018 lag cost	trust assets beg dietz from 5500	50% of flows	2017gl	2017 lag	2017 lag cost	2016 lag	2016 lag cost	2015 lag	2015 lag cost	2014 lag	2014 lag cost	trust assets beg dietz	trust assets beg dietz	2013gl	2013 lag	2013 lag cost	td v km 2017	td v km 2016	td v km 3y	td v km 5y	td v km 10y	
CRSP US Total Market TR USD	-	Yes	Vanguard Total Stock Mkt	VTSAX	1,310,649	\$ 1,310,648.10	228,068.76	3.28	(0.01)	-	1,072,134.00	5,223.17	21.17	(0.02)	-	(0.01)	-	(0.02)	-	(0.02)	-	420,802.14	542,175.88	33.52	(0.12)	-	(0.02)	(0.01)	(0.02)	(0.03)	(0.03)	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2025 Inv	VTVX	1,176,946	\$ 1,176,946.10	161,142.11	0.05	(3.25)	(38,245.53)	1,006,002.00	4,900.99	15.94	(3.26)	(32,964.65)	(5.19)	(25,458.82)	(1.41)	(5,992.51)	(5.50)	(21,696.90)	394,845.97	713,283.09	18.14	(15.48)	(61,106.63)	(5.26)	(5.19)	(3.85)	(6.27)	(2.96)	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2020 Inv	VTVNX	1,083,766	\$ 1,083,766.30	133,194.77	0.06	(3.24)	(35,112.80)	941,399.00	4,586.26	14.08	(7.13)	(67,877.28)	(5.72)	(26,299.32)	(1.23)	(4,947.22)	(5.55)	(20,516.86)	389,489.93	689,396.46	15.85	(17.77)	(65,646.01)	(7.13)	(5.72)	(4.54)	(7.13)	(3.13)	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2015 Inv	VTHX	1,078,568	\$ 1,078,567.69	172,434.97	0.24	(3.06)	(33,025.33)	897,389.00	4,371.88	19.12	(2.08)	(18,894.86)	(4.40)	(19,281.04)	(1.82)	(6,884.55)	(5.43)	(19,168.51)	352,216.43	596,757.83	22.82	(10.79)	(38,019.25)	(2.08)	(4.40)	(2.76)	(4.74)	(2.57)	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2030 Inv	VTHRX	827,366	\$ 827,366.21	122,867.16	0.21	(3.10)	(25,610.88)	697,701.00	3,389.03	17.52	(3.68)	(25,877.95)	(4.82)	(16,395.92)	(1.60)	(4,894.13)	(5.49)	(15,047.46)	273,840.84	478,466.50	20.49	(13.13)	(35,959.73)	(3.68)	(4.82)	(3.30)	(5.51)	(2.83)	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2040 Inv	VFORX	664,584	\$ 664,583.72	113,567.70	0.36	(2.94)	(18,540.02)	545,699.00	2,658.51	20.71	(0.49)	(2,699.88)	(3.93)	(10,476.65)	(2.19)	(4,944.79)	(5.52)	(11,814.69)	214,181.54	355,273.53	24.37	(9.24)	(19,795.25)	(0.49)	(3.93)	(2.25)	(4.16)	(2.26)	
CRSP US Large Cap Growth TR USD	-	Yes	Vanguard Growth Index	VGAX	659,327	\$ 659,327.00	142,893.69	7.15	(0.02)	-	511,450.00	2,481.66	27.80	(0.05)	-	(0.03)	-	(0.08)	-	(0.07)	-	200,738.14	271,095.51	32.40	0.65	-	(0.05)	(0.03)	(0.06)	0.07	0.59	
S&P 500 TR USD	2,397	No	American Funds American	RILBFX	577,327	\$ 577,327.43	78,328.34	0.99	(1.66)	(9,594.84)	494,184.00	2,407.54	15.77	(6.66)	(28,939.51)	(3.08)	(7,438.09)	0.59	-	(4.53)	(8,791.93)	193,962.40	312,802.73	22.05	(10.34)	(20,059.80)	(6.06)	(3.08)	(2.68)	(4.43)	(0.83)	
MSCI ACWI Ex USA NR USD	31	No	American Funds	RERFX	328,832	\$ 328,832.10	77,693.74	(1.83)	1.93	-	248,715.00	1,211.88	31.09	3.89	-	(3.49)	(4,238.24)	5.13	-	1.51	-	97,816.21	201,332.84	29.54	5.25	-	3.89	(3.49)	1.78	2.96	2.06	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2045 Inv	VTVX	296,575	\$ 296,574.69	52,119.82	0.36	(2.95)	(8,743.21)	242,096.00	1,179.43	21.42	0.22	-	(3.80)	(4,486.02)	(2.14)	(2,180.55)	(5.50)	(5,230.12)	95,020.32	157,346.56	24.37	(9.25)	(8,798.19)	0.22	(3.80)	(1.98)	(3.99)	(2.19)	
BBGBarc US Universal TR USD	84	No	Lord Abbett Total Return	LTRTX	251,392	\$ 251,392.39	9,735.52	(1.76)	(0.08)	-	239,325.00	1,165.93	4.65	(0.04)	-	-	0.25	-	(1.51)	(1,518.60)	0.63	-	93,932.73	228,369.02	(1.32)	0.83	-	(0.04)	0.25	(0.45)	(0.14)	0.52
MSCI US Inv Mkt RE 2550 Trans GR USD	-	Yes	Vanguard Real Estate Index	VGSLX	248,872	\$ 248,871.62	11,654.60	0.00	(0.12)	-	234,928.00	1,144.51	4.94	-	-	-	-	-	-	-	92,206.95	142,882.20	2.42	-	-	-	-	-	-	-	-	
MSCI US Broad Market GR USD	-	No	Vanguard Target Retirement 2050 Inv	VFFX	255,611	\$ 255,610.81	44,867.24	0.39	(2.92)	(7,455.86)	208,710.00	1,016.78	21.38	0.19	-	(3.82)	(3,887.19)	(2.14)	(1,881.39)	(5.49)	(4,484.99)	91,916.64	135,702.27	24.34	(9.27)	(7,596.40)	0.19	(3.82)	(2.00)	(4.01)	(2.19)	
CRSP US Small Cap Value TR USD	-	Yes	Vanguard Small Cap Value	VSAX	202,535	\$ 202,534.84	21,278.81	3.10	0.04	-	179,507.00	874.51	11.80	(0.03)	-	(0.05)	-	(0.01)	-	(0.08)	-	70,454.75	80,169.54	36.58	(1.90)	(1,335.99)	(0.03)	(0.05)	(0.03)	(0.35)	(1.43)	
CRSP US Small Cap TR USD	-	Yes	Vanguard Small Cap Index	VSMAX	193,735	\$ 193,734.95	26,950.57	5.88	0.02	-	165,175.00	804.69	16.24	0.00	-	0.04	-	0.04	-	(0.04)	-	64,829.58	80,447.16	37.81	(0.66)	(429.75)	0.00	0.04	0.03	(0.10)	(0.34)	
S&P 500 TR USD	44	No	Invesco Small Cap Growth	GSVX	206,242	\$ 206,242.12	41,624.65	9.59	6.94	-	163,029.00	794.24	25.41	3.58	-	(0.26)	(208.62)	(2.82)	(1,833.22)	(5.68)	(3,581.19)	63,987.29	79,894.36	40.47	8.08	-	3.58	(0.26)	(0.06)	0.17	1.54	
Morningstar Lifetime Mod Incm TR USD	131	No	Vanguard Retirement Income	VTINX	174,811	\$ 174,811.14	13,595.49	(0.07)	(0.47)	(819.94)	159,660.00	777.82	8.47	(0.07)	-	(0.73)	(571.17)	1.12	-	1.45	-	62,664.99	134,742.18	5.87	(0.58)	(361.42)	(0.07)	(0.73)	0.13	0.25	0.22	
Russell Mid Cap Value TR USD	-	No	Vanguard Established Value	VETAX	157,182	\$ 157,181.92	21,184.72	1.23	1.39	-	134,675.00	656.10	15.66	2.32	-	0.66	-	5.46	-	(2.85)	(1,508.02)	52,858.62	61,305.04	34.43	0.97	-	2.32	0.66	3.00	1.47	1.53	
Russell Mid Cap Growth TR USD	742	No	JPMorgan Mid Cap Growth	HLGEX	157,164	\$ 157,163.98	35,668.62	6.91	0.61	-	120,323.00	586.18	29.50	4.23	-	(7.14)	(4,191.47)	3.91	-	(0.90)	(424.49)	47,225.60	59,893.16	42.34	6.60	-	4.23	(7.14)	(0.21)	0.78	(0.29)	
MSCI ACWI NR USD	7	No	American Funds New	RNPFX	150,780	\$ 150,779.95	33,959.70	4.62	5.05	-	115,693.00	563.63	29.21	5.24	-	(5.72)	(3,231.39)	7.98	-	(0.66)	(300.62)	45,408.37	75,110.97	27.16	4.36	-	5.24	(5.72)	2.41	2.10	2.53	
S&P 500 TR USD	1,995	No	American Funds	RWMPX	139,337	\$ 139,336.72	23,577.71	1.30	(1.34)	(1,872.59)	114,642.00	558.51	20.47	(1.36)	(1,564.75)	1.73	-	(1.31)	-	(633.80)	(2.29)	(998.13)	44,995.87	59,284.95	32.26	(0.13)	-	(1.36)	1.73	(0.33)	(0.66)	(0.17)
MSCI World ex USA NR USD	36	No	DFA International Core	DFIEF	118,203	\$ 118,202.69	25,798.04	(2.94)	(0.17)	-	91,513.00	445.83	28.05	3.85	-	2.59	-	2.83	-	(1.66)	(596.46)	35,917.96	70,443.52	23.43	2.41	-	3.85	2.59	3.06	1.87	1.54	
Morningstar Lifetime Mod 2055 TR USD	-	No	Vanguard Target Retirement 2055 Inv	VFFVX	111,094	\$ 111,094.12	19,480.19	0.38	0.10	-	90,720.00	441.97	21.38	0.43	-	(2.03)	(897.72)	1.62	-	2.45	-	35,606.72	59,052.12	24.33	1.94	-	0.43	(2.03)	0.06	0.88	-	
Russell Mid Cap TR USD	-	No	ClearBridge Mid Cap IS	LSIRX	69,532	\$ 69,531.66	8,079.68	(0.34)	(2.69)	(1,870.80)	60,859.00	296.49	13.21	(5.31)	(3,229.22)	(4.90)	(1,455.08)	5.16	-	(4.93)	(1,176.51)	23,886.56	30,759.09	37.81	3.05	-	(5.31)	(4.90)	(1.39)	(1.38)	(0.35)	
BBGBarc US HY 2% Issuer Cap TR USD	-	No	JPMorgan High Yield I	OHYFX	59,569	\$ 59,569.37	3,699.25	0.04	(0.12)	-	55,331.00	269.56	6.65	(0.85)	(489.94)	(3.38)	(912.90)	(0.11)	-	0.21	-	21,716.88	45,189.72	6.94	(0.50)	(107.50)	(0.85)	(3.38)	(1.35)	(0.86)	(1.04)	
MSCI US IMI/Materials 25-50 GR USD	-	Yes	Vanguard Materials Index	VMAX	53,035	\$ 53,034.53	10,113.36	(2.94)	(0.05)	-	42,597.00	207.08	23.68	0.09	-	(0.11)	-	(0.08)	-	(0.11)	-	16,683.58	25,978.49	24.94	(0.05)	-	0.09	(0.11)	(0.04)	(0.06)	(0.06)	
Morningstar Lifetime Mod 2060 TR USD	-	No	Vanguard Target Retirement 2060 Inv	VTTSX	36,995	\$ 36,994.52	6,484.11	0.40	0.20	-	30,216.00	147.20	21.38	0.30	-	(2.03)	(299.80)	1.80	-	2.83	-	11,859.49	19,670.79	24.35	2.17	-	0.30	(2.03)	0.09	1.00	-	
ICE BofAML 1-3Y US Corp TR USD	1,368	No	Lord Abbett Short Duration	LDLKX	26,919	\$ 26,919.22	648.72	0.22	0.13	-	26,017.00	126.75	2.48	0.57	-	1.32	-	(0.39)	-	(42.87)	0.49	-	10,211.42	24,092.87	1.57	(0.21)	-	0.57	1.32	0.50	0.35	1.02
BBGBarc US Treasury US TIPS TR USD	53	No	PIMCO Real Return Instl	PRRX	17,637	\$ 17,636.92	662.13	(0.25)	(0.23)	-	16,810.00	81.90	3.92	0.91	-	0.36	-	(1.31)	-	(93.02)	(0.22)	6,598.15	17,275.37	(9.05)	(0.44)	(28.96)	0.91	0.36	(0.04)	(0.16)	0.33	