



M.D.C. ADVISORS

## 408(b)(2) Fee Disclosure

Prepared on: 3/8/2014 | Fund data as of 1/31/2014 | Holdings as of 01/31/2014

### Prepared For:

#### Fourth Ave. Associates 401k

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### Prepared By:

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### Service Providers:

Custodian : Silver Bank  
RIA : MDC Advisors, Inc.  
TPA : MDC Financial, Inc.

### Committee Members / Authorized Individuals

<u>Name</u>	<u>Position</u>
Braden Smith	President
Brody Lingella	CFO
Lucas Knight	COO

## 408(b)(2) Fee Disclosure - Covered service provider overview

This report is based upon information we have obtained from your adviser or agent regarding your retirement plan. fi360, Inc. ("fi360"), has not verified the accuracy or completeness of any of this data. Therefore, fi360 can take no responsibility for any inaccuracy in the data. This report is for informational purposes only. You must independently determine how to use and interpret the information set forth in this report, including whether you need the assistance of any professionals to assist you. fi360 cannot be responsible for your interpretation or use of this report.

Department of Labor (DOL) Final Regulation section 2550.408b-2(c) (the 'Regulation') requires 'covered service providers' to make written disclosure of their services, status, and compensation to responsible plan fiduciaries reasonably in advance of the arrangement. Under the Regulation, A 'covered service provider' is a service provider that enters into a contract or arrangement with the covered plan and reasonably expects \$1,000 or more in compensation, direct or indirect, to be received over the course of the service provider relationship in connection with providing one or more of the services described in paragraphs (c)(1)(iii)(A), (B), or (C) of the final rule.

A service provider will be covered even if some or all of the services provided pursuant to the contract or arrangement are performed (or some or all of the compensation for such services is received) by affiliates of the covered service provider or subcontractors. The failure of a covered service provider to comply with the provisions of the Regulation gives rise to a prohibited transaction under ERISA and the Internal Revenue Code.

**This report will review the following items pertaining to the compensation received and services performed by the covered service providers identified below.**

1. The roles and services provided by the service provider.
2. All direct and indirect compensation received by the service provider.
3. Any applicable fees charged by the service provider upon termination of the agreement.
5. Detailed fee descriptions along with the services being performed for each fee.
6. Plan investment expense ratio breakdown (the annual operating expenses charged each year for investing in the fund).
7. Plan investment expenses paid on the sale or withdrawal of assets.

### MDC Advisors, Inc.

**MDC Advisors, Inc. is a covered service provider (defined in DOL Regulation 2550.408b-2) for your plan's responsible plan fiduciary.**

**MDC Advisors, Inc. has a direct agreement with the Plan to provide the following RIA services (collectively, "Services") to Client, the Plan and the Plan participants. When serving in this capacity, MDC Advisors, Inc. is operating as an investment adviser under the Investment Advisers Act of 1940.**

We are a professional fiduciary who is responsible for managing comprehensive and continuous investment decisions.

MDC Advisors, Inc. will perform the Fiduciary Services (Described in detail within the Services Appendix of this report).

<i>Development of Investment Policy</i>	<i>Investment Advice (Participant Level)</i>	<i>Investment Advice (Plan Level)</i>
<i>Investment Option Selection &amp; Monitoring</i>	<i>Plan Design &amp; Documents</i>	<i>QDIA Selection &amp; Monitoring</i>

MDC Advisors, Inc. will perform the Non-Fiduciary Services (Described in detail within the Services Appendix of this report).

<i>Committee Meetings</i>	<i>Enrollment Meetings</i>
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### MDC Financial, Inc.

**MDC Financial, Inc. is a covered service provider (defined in DOL Regulation 2550.408b-2) for your plan's responsible plan fiduciary.**

**MDC Financial, Inc. has a direct agreement with the Plan to provide the following TPA services (collectively, "Services") to Client, the Plan and the Plan participants.**

We handle many aspects of employee benefit plans such as the processing of retirement plans and flexible spending accounts. Many employee benefit plans have highly technical aspects and difficult administration that can make using a TPA more cost effective than doing the same processing in house.

MDC Financial, Inc. will perform the Non-Fiduciary Services (Described in detail within the Services Appendix of this report).

<i>Plan &amp; Account Valuation</i>	<i>Statements</i>	<i>Transaction processing</i>
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## 408(b)(2) Fee Disclosure - Covered service provider overview

### Silver Bank

**Silver Bank is an affiliate of MDC Advisors, Inc..**

**Silver Bank has a direct agreement with the Plan to provide the following Custodian services (collectively, "Services") to Client, the Plan and the Plan participants.**

We are specialized financial institution responsible for safeguarding a firm's or individual's financial assets.

Silver Bank will perform the Fiduciary Services (Described in detail within the Services Appendix of this report).

*Custody*

## 408(b)(2) Fee Disclosure: Compensation Summary

This section will review the ongoing direct and indirect compensation received by each covered service provider in this report. Any compensation paid between related parties will also be identified.

<b>As of Date:</b>	1/31/2014
<b>Plan Assets:</b>	\$631,227.00
<b>Participants:</b>	59

### Compensation from Plan Participants

Direct fees paid to MDC Advisors, Inc. for RIA services	\$16.05 /per part	15.00 bps	\$947
<ul style="list-style-type: none"> <li>+ <b>Advisory Fee:</b> 15.00 bps of plan assets assessed yearly.</li> <li><i>Fees for investment advisory and other management services.</i></li> </ul>			\$947
Indirect revenue sharing paid via the expense ratio to MDC Advisors, Inc.	\$5.55 /per part	5.18 bps	\$327
<ul style="list-style-type: none"> <li>+ <b>12b-1 Sales Fee:</b> 5.18 bps of plan assets assessed annually. Used to offset fees.</li> </ul>			\$327
Indirect revenue sharing paid via the expense ratio to MDC Financial, Inc.	\$7.24 /per part	6.75 bps	\$427
<ul style="list-style-type: none"> <li>+ <b>Sub-TA Fee:</b> 4.76 bps of plan assets assessed annually. Used to offset fees.</li> <li>+ <b>Shareholder Service Fee:</b> 1.99 bps of plan assets assessed annually.</li> </ul>			\$301 \$126
<b>Subtotal</b>	<b>\$28.84 /per part</b>	<b>26.95 bps</b>	<b>\$1,701</b>

### Compensation from Company

Direct fees paid to MDC Advisors, Inc. for RIA services	\$8.56 /per part	8.00 bps	\$505
<ul style="list-style-type: none"> <li>+ <b>QDIA Selection:</b> 8.00 bps of plan assets assessed yearly.</li> <li><i>Fees for providing investment advice to the Client with respect to the selection and performance of a qualified default investment alternative ("QDIA").</i></li> </ul>			\$505
Direct fees paid to MDC Financial, Inc. for TPA services	\$65.21 /per part	60.95 bps	\$3,848
<ul style="list-style-type: none"> <li>+ <b>Admin Fee:</b> Calculated based on the fee schedule (Administration &amp; Recordkeeping) shown in the appendix.</li> <li><i>Fees paid to services provider to maintain plan-level and participant-level account records.</i></li> <li>+ <b>Trustee Reconciliation:</b> \$22.50 per participant fee assessed yearly.</li> <li><i>Fees for providing periodic valuation of investments held by the plan.</i></li> </ul>			\$2,520 \$1,328
Direct fees paid to Silver Bank for Custodian services	\$6.36 /per part	5.94 bps	\$375
<ul style="list-style-type: none"> <li>+ <b>Form 5500:</b> \$375.00 flat fee assessed yearly.</li> <li><i>Fees for assisting Client with the preparation and filing of the Plan's Form 5500.</i></li> </ul>			\$375
Indirect revenue sharing reimbursed by MDC Advisors, Inc.	-\$5.55 /per part	-5.19 bps	-\$327
<ul style="list-style-type: none"> <li>+ <b>12b-1 Sales Fee:</b> Rebate of 5.19 bps of plan assets assessed annually.</li> </ul>			-\$327
Indirect revenue sharing reimbursed by MDC Financial, Inc.	-\$5.10 /per part	-4.77 bps	-\$301
<ul style="list-style-type: none"> <li>+ <b>Sub-TA Fee:</b> Rebate of 4.77 bps of plan assets assessed annually.</li> </ul>			-\$301
<b>Subtotal</b>	<b>\$69.48 /per part</b>	<b>64.94 bps</b>	<b>\$4,099</b>

## 408(b)(2) Fee Disclosure: Compensation Summary

This section will show two summaries. The first will summarize all of the compensation received by each service provider. The second section will summarize based on the source of the compensation. By combining these two sources of data, you should have a more complete picture of who is being paid and how it is being done.

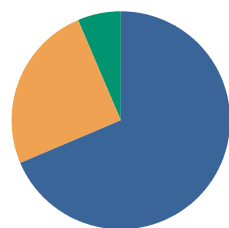
### Entity receiving compensation

	MDC Advisors, Inc.	MDC Financial, Inc.	Silver Bank	Total
Compensation from Plan Participants	\$1,274	\$427	\$0	\$1,701
Compensation from Company	\$178	\$3,547	\$375	\$4,099
<b>Total</b>	<b>\$1,452</b> 23.0 bps	<b>\$3,974</b> 62.9 bps	<b>\$375</b> 5.9 bps	<b>\$5,801</b> 91.9 bps

### Entity paying compensation

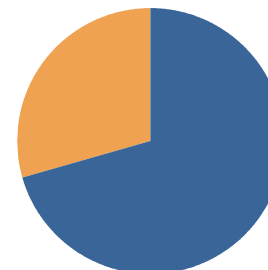
		Plan/Client Assets	Company Assets	Total
Compensation received through Investments	Indirect revenue sharing paid via the expense ratio to MDC Advisors, Inc.	\$327	\$0	\$327
	Indirect revenue sharing paid via the expense ratio to MDC Financial, Inc.	\$427	\$0	\$427
Direct Compensation	Direct fees paid to MDC Advisors, Inc. for RIA services	\$947	\$505	\$1,452
	Direct fees paid to MDC Financial, Inc. for TPA services	\$0	\$3,848	\$3,848
	Direct fees paid to Silver Bank for Custodian services	\$0	\$375	\$375
Investment Compensation Offsets	Indirect revenue sharing reimbursed by MDC Advisors, Inc.	\$0	-\$327	-\$327
	Indirect revenue sharing reimbursed by MDC Financial, Inc.	\$0	-\$301	-\$301
<b>Total</b>		<b>\$1,701</b> 26.9 bps	<b>\$4,099</b> 64.9 bps	<b>\$5,801</b> 91.9 bps

Entity Receiving Compensation



■ MDC Financial, Inc.	\$3,974	68.5%
■ MDC Advisors, Inc.	\$1,452	25.0%
■ Silver Bank	\$375	6.5%
<b>Total:</b>	<b>\$5,801</b>	<b>100.0%</b>

Entity Paying Compensation



■ Company Assets	\$4,099	70.7%
■ Plan/Client Assets	\$1,701	29.3%
<b>Total:</b>	<b>\$5,801</b>	<b>100.0%</b>

## 408(b)(2) Fee Disclosure: Services Appendix

This section will review in detail the services provided for the fees indicated in the previous section. Each service will be identified as a fiduciary or non-fiduciary service.

### TPA Services performed by MDC Financial, Inc.

#### Non-Fiduciary Services

**Plan & Account Valuation:** Provide periodic valuation of investment held by the plan and by each participant account.

**Statements:** Processing and delivery of monthly, quarterly and annual plan/trust statements.

**Transaction processing:** Daily transaction processing as directed by plan sponsor and recordkeeper.

### RIA Services performed by MDC Advisors, Inc.

#### Fiduciary Services

**Development of Investment Policy:** Assist the Client in the development of an investment policy statement (IPS). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the investment policy statement.

**Investment Advice (Participant Level):** Provide non-discretionary investment advice to individual participants and recommend investment alternatives in light of participant's circumstances.

**Investment Advice (Plan Level):** Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client shall have the final decision-making authority regarding the initial selection, retention, removal and addition of investment options.

**Investment Option Selection & Monitoring:** Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain or remove and replace investment options.

**Plan Design & Documents:** Assist Client with the assessment of participant population, design of plan to meet objectives, and preparation of plan documents.

**QDIA Selection & Monitoring:** Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative (QDIA) for participants who are automatically enrolled in the Plan or who otherwise fail to make an investment election. The Client retains the sole responsibility to provide all notices to participants required under ERISA section 404(c)(5).

#### Non-Fiduciary Services

**Committee Meetings:** Meet with Client on a periodic basis to discuss the reports and the investment recommendations.

**Enrollment Meetings:** Assist in the group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.

### Custodian Services performed by Silver Bank

#### Fiduciary Services

**Custody:** Custody and safekeeping of plan assets.

## Operational Fee Summary

This section will summarize all of the operational fees which are paid through each investment's expense ratio. The total \$ value cost is displayed for each expense item along with an overall weighted percentage (basis points) attributable to each item. The total annualized fees are reported in basis points (bps) and \$ values based on the current \$ amount invested. \*The Effective Mgmt Fee is calculated by subtracting any 12b-1 fee, Sub-TA Fee and Shareholder Service Fee from the Prospectus Net Expense Ratio. It represents the net fee retained by the investment manager. The compensation structure along with a description of the entity receiving the compensation will be shown at the bottom of the table.

Investment Name	\$ Amount Invested	Revenue Sharing Components					Addtl. Wrap Fee	Total Expense Ratio
		Effective Mgmt. Fee*	12b-1 Sales Fee	12b-1 Service	Sub-TA	Shareholder Service		
<b>Large-Cap Equity</b>								
Alpine Accelerating Dividend A (AAADX)	\$0	120.00 bps	25.00 bps	-	13.00 bps	2.00 bps	-	160.00 bps
Eaton Vance Large-Cap Growth A (EALCX)	\$116,567	\$1,049 90.00 bps	\$291 25.00 bps	-	\$93 8.00 bps	\$23 2.00 bps	-	\$1,457 125.00 bps
MFSr Blended Researchr Core Equity I (MUSEX)	\$0	60.00 bps	-	-	-	-	-	60.00 bps
MFSr Value R4 (MEIIX)	\$30,347	\$182 60.00 bps	-	-	\$15 5.00 bps	\$6 2.00 bps	-	\$203 67.00 bps
Vanguard 500 Index Admiral (VFIAX)	\$0	3.00 bps	-	-	-	2.00 bps	-	5.00 bps
Vanguard Windsor II Adm (VWNAX)	\$0	22.00 bps	-	-	3.00 bps	2.00 bps	-	27.00 bps
<b>Mid-Cap Equity</b>								
Columbia Mid Cap Index Z (NMPAX)	\$28,950	\$49 17.00 bps	-	-	\$6 2.00 bps	\$6 2.00 bps	-	\$61 21.00 bps
Fidelity Advisor Mid Cap Value I (FMPOX)	\$0	80.00 bps	-	-	7.00 bps	2.00 bps	-	89.00 bps
Perkins Mid Cap Value T (JMCVX)	\$51,752	\$347 67.00 bps	-	-	\$41 8.00 bps	\$10 2.00 bps	-	\$398 77.00 bps
T. Rowe Price Mid-Cap Growth (RPMGX)	\$72,250	\$527 73.00 bps	-	-	\$36 5.00 bps	\$14 2.00 bps	-	\$578 80.00 bps
<b>Small-Cap Equity</b>								
Columbia Small Cap Index Z (NMSCX)	\$26,845	\$46 17.00 bps	-	-	\$11 4.00 bps	\$5 2.00 bps	-	\$62 23.00 bps
Undiscovered Mgrs Behavioral Value Inst (UBVLX)	\$0	102.00 bps	-	-	-	2.00 bps	-	104.00 bps
<b>Developed International Equity</b>								
American Funds Capital World G/I R5 (RWIFX)	\$47,644	\$210 44.00 bps	-	-	\$14 3.00 bps	\$10 2.00 bps	-	\$233 49.00 bps
American Funds EuroPacific Gr R5 (RERFX)	\$142,413	\$698 49.00 bps	-	-	\$57 4.00 bps	\$28 2.00 bps	-	\$783 55.00 bps

## Operational Fee Summary (Cont.)

This section will summarize all of the operational fees which are paid through each investment's expense ratio. The total \$ value cost is displayed for each expense item along with an overall weighted percentage (basis points) attributable to each item. The total annualized fees are reported in basis points (bps) and \$ values based on the current \$ amount invested. \*The Effective Mgmt Fee is calculated by subtracting any 12b-1 fee, Sub-TA Fee and Shareholder Service Fee from the Prospectus Net Expense Ratio. It represents the net fee retained by the investment manager. The compensation structure along with a description of the entity receiving the compensation will be shown at the bottom of the table.

Investment Name	\$ Amount Invested	Revenue Sharing Components					Addtl. Wrap Fee	Total Expense Ratio
		Effective Mgmt. Fee*	12b-1 Sales Fee	12b-1 Service	Sub-TA	Shareholder Service		
<b>Real Estate</b>								
Nuveen Real Estate Securities A (FREAX)	\$14,381	\$138 96.00 bps	\$36 25.00 bps	-	\$7 5.00 bps	\$3 2.00 bps	-	\$184 128.00 bps
<b>Intermediate Fixed Income</b>								
Nuveen Oregon Intermediate Muni Bd I (FORCX)	\$0	56.00 bps	-	-	5.00 bps	2.00 bps	-	63.00 bps
Vanguard Interm-Term Treasury Inv (VFITX)	\$18,500	\$30 16.00 bps	-	-	\$4 2.00 bps	\$4 2.00 bps	-	\$37 20.00 bps
Vanguard Total Bond Market Index Inv (VBMFX)	\$38,072	\$61 16.00 bps	-	-	\$8 2.00 bps	\$8 2.00 bps	-	\$76 20.00 bps
<b>Allocation</b>								
Vanguard Wellington Inv (VWELX)	\$43,506	\$91 21.00 bps	-	-	\$9 2.00 bps	\$9 2.00 bps	-	\$109 25.00 bps
<b>Alternative</b>								
DWS Alternative Asset Allocation A (AAAAX)	\$0	159.00 bps	24.00 bps	-	11.00 bps	2.00 bps	-	196.00 bps
<b>Other / Specialty</b>								
Fourth Ave. Company Stock	\$0	-10.00 bps	-	-	8.00 bps	2.00 bps	-	-
<b>Total Operational Fees</b>	\$631,227.00	\$3,428 ~54.00 bps	\$327 ~5.00 bps	\$0 0.00 bps	\$301 ~5.00 bps	\$126 ~2.00 bps	\$0 0.00 bps	\$4,182 ~66.00 bps
<b>Compensation received by</b>		Investment Manager	RIA		TPA	TPA		
<b>Compensation structure</b>		Kept	Offset		Offset	Kept		



## Shareholder Fee Detail

This section will summarize all of the shareholder fees which are paid on the sale or purchase of the investment. Items shown with a strike ~~(4.50)~~ indicate the fee has been waived for your situation. Most fees are paid as a percentage of net assets, shown in basis points (bps), however the Finder's fee could be quoted using a flat \$ value.

Investment Name	Front Load (bps)	Deferred Load (bps)	Redemption Fee			Finder's Fee (bps or \$)	Exchange Fee (bps)	Other Fee (bps)
			bps	Days	Effective Date			
<b>Mid-Cap Equity</b>								
T. Rowe Price Mid-Cap Growth (RPMGX)	-	-	-	-		-	-	-
<b>Large-Cap Equity</b>								
Eaton Vance Large-Cap Growth A (EALCX)	<del>-500.0</del>	-	-	-		-	-	-
<b>Mid-Cap Equity</b>								
Fidelity Advisor Mid Cap Value I (FMPOX)	-	-	-	-		-	-	-
<b>Intermediate Fixed Income</b>								
Nuveen Oregon Intermediate Muni Bd I (FORCX)	-	-	-	-		-	-	-
<b>Real Estate</b>								
Nuveen Real Estate Securities A (FREAX)	<del>-575.0</del>	-	-	-		-	-	-
<b>Other / Specialty</b>								
Fourth Ave. Company Stock	-	-	-	-		-	-	-
<b>Mid-Cap Equity</b>								
Perkins Mid Cap Value T (JMCVX)	-	-	-	-		-	-	-
<b>Large-Cap Equity</b>								
MFSr Blended Researchr Core Equity I (MUSEX)	-	-	-	-		-	-	-
MFSr Value R4 (MEIIX)	-	-	-	-		-	-	-
<b>Mid-Cap Equity</b>								
Columbia Mid Cap Index Z (NMPAX)	-	-	-	-		-	-	-
<b>Small-Cap Equity</b>								
Columbia Small Cap Index Z (NMSCX)	-	-	-	-		-	-	-
<b>Developed International Equity</b>								
American Funds Capital World G/I R5 (RWIFX)	-	-	-	-		-	-	-
American Funds EuroPacific Gr R5 (RERFX)	-	-	-	-		-	-	-
<b>Small-Cap Equity</b>								
Undiscovered Mgrs Behavioral Value Inst (UBVLX)	-	-	-	-		-	-	-
<b>Intermediate Fixed Income</b>								
Vanguard Total Bond Market Index Inv (VBMFX)	-	-	-	-		-	-	-
<b>Large-Cap Equity</b>								
Vanguard 500 Index Admiral (VFIAX)	-	-	-	-		-	-	-

## Shareholder Fee Detail (Cont.)

This section will summarize all of the shareholder fees which are paid on the sale or purchase of the investment. Items shown with a strike ~~(4.50)~~ indicate the fee has been waived for your situation. Most fees are paid as a percentage of net assets, shown in basis points (bps), however the Finder's fee could be quoted using a flat \$ value.

Investment Name	Front Load (bps)	Deferred Load (bps)	Redemption Fee			Finder's Fee (bps or \$)	Exchange Fee (bps)	Other Fee (bps)
			bps	Days	Effective Date			
<b>Intermediate Fixed Income</b>								
Vanguard Interm-Term Treasury Inv (VFITX)	-	-	-	-		-	-	-
<b>Allocation</b>								
Vanguard Wellington Inv (VWELX)	-	-	-	-		-	-	-
<b>Large-Cap Equity</b>								
Vanguard Windsor II Adm (VWNAX)	-	-	-	-		-	-	-
<b>Alternative</b>								
DWS Alternative Asset Allocation A (AAAAX)	<del>-575.0</del>	-	-	-		-	-	-
<b>Large-Cap Equity</b>								
Alpine Accelerating Dividend A (AAADX)	<del>-550.0</del>	-	-	-		-	-	-
<b>Compensation received by</b>		RIA			RIA	N/A	TPA	TPA
<b>Compensation structure</b>		Kept			Kept		Kept	Kept

## Peer Group Definitions

### Foreign Large Blend

Foreign large-blend portfolios invest in a variety of big international stocks. Most of these portfolios divide their assets among a dozen or more developed markets, including Japan, Britain, France, and Germany. These portfolios primarily invest in stocks that have market caps in the top 70% of each economically integrated market (such as Europe or Asia ex-Japan). The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios typically will have less than 20% of assets invested in U.S. stocks.

### Intermediate Government

Intermediate-government portfolios have at least 90% of their bond holdings in bonds backed by the U.S. government or by government-linked agencies. This backing minimizes the credit risk of these portfolios, as the U.S. government is unlikely to default on its debt. These portfolios have durations typically between 3.5 and six years. Consequently, the group's performance--and its level of volatility--tends to fall between that of the short government and long government bond categories. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index (MCBI) in determining duration assignment. Intermediate is defined as 75% to 125% of the 3 year average effective duration of the MCBI.

### Intermediate-Term Bond

Intermediate-term bond portfolios invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of 3.5 to six years. These portfolios are less sensitive to interest rates, and therefore less volatile, than portfolios that have longer durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index (MCBI) in determining duration assignment. Intermediate-term is defined as 75% to 125% of the 3 year average effective duration of the MCBI.

### Large Blend

Large-blend portfolios are fairly representative of the overall U.S. stock market in size, growth rates, and price. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios tend to invest across the spectrum of U.S. industries, and owing to their broad exposure, the portfolios' returns are often similar to those of the S&P 500 Index.

### Large Growth

Large-growth portfolios invest primarily in big U.S. companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields). Most of these portfolios focus on companies in rapidly expanding industries.

### Large Value

Large-value portfolios invest primarily in big U.S. companies that are less expensive or growing more slowly than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large-cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).

### Mid-Cap Blend

The typical mid-cap blend portfolio invests in U.S. stocks of various sizes and styles, giving it a middle-of-the-road profile. Most shy away from high-priced growth stocks, but aren't so price-conscious that they land in value territory. The U.S. mid-cap range for market capitalization typically falls between \$1 billion-\$8 billion and represents 20% of the total capitalization of the U.S. equity market. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.

### Mid-Cap Growth

Some mid-cap growth portfolios invest in stocks of all sizes, thus leading to a mid-cap profile, but others focus on midsize companies. Mid-cap growth portfolios target U.S. firms that are projected to grow faster than other mid-cap stocks, therefore commanding relatively higher prices. The U.S. mid-cap range for market capitalization typically falls between \$1 billion-\$8 billion and represents 20% of the total capitalization of the U.S. equity market. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).

### Mid-Cap Value

Some mid-cap value portfolios focus on medium-size companies while others land here because they own a mix of small-, mid-, and large-cap stocks. All look for U.S. stocks that are less expensive or growing more slowly than the market. The U.S. mid-cap range for market capitalization typically falls between \$1 billion-\$8 billion and represents 20% of the total capitalization of the U.S. equity market. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).

### Miscellaneous Sector

Miscellaneous sector portfolios invest in specific sectors that do not fit into any of Morningstar's existing sector categories and for which not enough funds exist to merit the creation of a separate category.

### Moderate Allocation

Moderate-allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. These portfolios tend to hold larger positions in stocks than conservative-allocation portfolios. These portfolios typically have 50% to 70% of assets in equities and the remainder in fixed income and cash.

### Multialternative

These funds offer investors exposure to several different alternative investment tactics. Funds in this category have a majority of their assets exposed to alternative strategies. An investor's exposure to different tactics may change slightly over time in response to market movements. Funds in this category include both funds with static allocations to alternative strategies and funds tactically allocating among alternative strategies and asset classes. The gross short exposure is greater than 20%.

## Peer Group Definitions (Cont.)

### Muni Single State Interm

Muni single-state intermediate portfolios invest in bonds issued by state and local governments to fund public projects. The income from such bonds is generally free from federal taxes and from state taxes in the issuing state. To get the state-tax benefit, these portfolios buy bonds from only one state. These portfolios have durations of 4.5 to seven years (or, if duration is unavailable, average maturities of five to 12 years).

### Real Estate

Real estate portfolios invest primarily in real estate investment trusts of various types. REITs are companies that develop and manage real estate properties. There are several different types of REITs, including apartment, factory-outlet, health-care, hotel, industrial, mortgage, office, and shopping center REITs. Some portfolios in this category also invest in real estate operating companies.

### Small Blend

Small-blend portfolios favor U.S. firms at the smaller end of the market-capitalization range. Some aim to own an array of value and growth stocks while others employ a discipline that leads to holdings with valuations and growth rates close to the small-cap averages. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.

### Small Value

Small-value portfolios invest in small U.S. companies with valuations and growth rates below other small-cap peers. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small-cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).

### World Stock

World-stock portfolios have few geographical limitations. It is common for these portfolios to invest the majority of their assets in the U.S., Europe, and Japan, with the remainder divided among the globe's smaller markets. These portfolios typically have 20%-60% of assets in U.S. stocks.

## Glossary

### 12b-1 Fee

Maximum annual charge deducted from fund assets to pay for distribution and marketing costs. Although usually set on a percentage basis, this amount will occasionally be a flat figure. This information is taken directly from the fund's prospectus, and includes distribution, service and other expenses incurred by the fund. Morningstar lists the maximum amount. Some 12b-1 fees are something of a hidden charge, because they are taken out of the NAV. Morningstar breaks the 12b-1 amount out of the expense ratio so investors know how much they're paying. (Description provided by Morningstar)

### 12b-1 Sales Fee

The sales fee component of the 12b-1 fee is used to compensate the advisor or broker for the sale of the fund to the client. This is the most common component of the 12b-1 fee. This fee can be rebated back to the client to offset other plan expenses. (Description provided by fi360)

### 12b-1 Service Fee

The service fee component of the 12b-1 fee is used to pay for services of the plan. These fees help to reduce other costs of the plan. This fee can be rebated back to the client to offset other plan expenses. (Description provided by fi360)

### Basis Point

One-hundredth of a percentage point. For example, 50 basis points equals .50%. (Description provided by Morningstar)

### Broad Asset Class

A term used to group funds with similar categories and investing styles. (Description provided by fi360)

### Deferred Load

This is also known as a back-end sales charge, and it is imposed when investors redeem shares. The percentage charged generally declines the longer shares are held, and it is usually applied to the lower of the beginning price or ending price. This charge is often coupled with higher 12b-1 fees in B or C share classes as an alternative to a traditional front-end load fund. (Description provided by Morningstar)

### Effective Management Fee

The Effective Mgmt. Fees column represents the actual fees paid to the investment manager for managing and administering the fund. In addition to the pure management fee, this would also include administration costs such as accounting, auditing, legal fees, etc. This value is calculated by subtracting the 12b-1 fees and Sub-ta Fees from the Prospectus Net Expense Ratio. (Description provided by fi360)

### Exchange Fee

A fee that some funds impose on shareholders if they exchange (transfer) to another fund within the same fund group or "family of funds." (Description provided by fi360)

### Expense Ratio - Audited Net

The percentage of fund assets paid for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. This expense ratio is pulled directly from the fund's annual report. Sales charges are not included in the expense ratio. For fund of funds, the underlying fund expense ratios are not included in the expense ratio. (Description provided by Morningstar)

### Expense Ratio - Prospectus Gross

Gross Expense Ratio represents the total gross expenses (net expenses with waivers added back in) divided by the fund's average net assets. If it is not equal to the net expense ratio, the gross expense ratio portrays the fund's expenses had the fund not waived a portion, or all, of its fees. Thus, to some degree, it is an indication of fee contracts. Some fee waivers have an expiration date; other waivers are in place indefinitely. (Description provided by Morningstar)

### Expense Ratio - Prospectus Net

The percentage of fund assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio. The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees. (Description provided by Morningstar)

### Fee Waiver

The elimination of all or part of a fund's expenses and fees. Funds, particularly fixed-income funds, adopt this practice at various times to make their returns more competitive. (Description provided by Morningstar)

### Finder's Fee

Finder's fees are typically paid to an intermediary or facilitator of a transaction. The fee can be paid by either the buyer or seller. (Description provided by fi360)

## Glossary (Cont.)

### Front-End Load

The initial, or front-end, sales charge is a one-time deduction from an investment made into the fund. The amount is generally relative to the amount of the investment, so that larger investments incur smaller rates of charge. The sales charge serves as a commission for the broker who sold the fund. A fund's potential fees and sales charges are an important factor to consider before making an investment. The load fee compensates the broker or financial planner for the service of providing professional investment advice. (Description provided by Morningstar)

### Fund Family

A company which offers mutual funds. Generally speaking, the company name is included in the official fund name. (Description provided by Morningstar)

### Fund Name

The fund's official name, or an abbreviation thereof, as stated in the fund's prospectus. Morningstar attempts to limit the extent to which fund name abbreviation is made by keeping the family name or first word intact whenever possible. As a general rule, the words Fund, Shares, Class, Series, Trust (not including class designation), and articles at the beginning of a fund's name are omitted. They appear, however, in cases where their omission could confuse two funds or groups. The fund name is taken directly from the prospectus. The names normally do not change, unless the fund itself changes its name. (Description provided by Morningstar)

### Index

A collection of securities chosen to represent a specific investment area. Common indexes include the Dow Jones Industrial Average, the S&P 500, and the NASDAQ Composite. (Description provided by Morningstar)

### Management Fee

Fee charged for the management of pooled investments such as collective investment funds, insurance/annuity products, mutual funds and individually managed accounts. (Description provided by fi360)

### Median Mutual Fund/ETF Manager

The median manager for a given data point is calculated by ranking the managers (investments) within a given peer group on a particular data point from best to worst. The manager that represents the 50th percentile of the ranking becomes the median manager for the group. (Description provided by fi360)

### Number of investments in Peer Group

A count of the number of investments within a specific peer group for a particular data point such as 1yr return or Alpha. This number represents the total number of investments used to calculate the bar charts and rankings for each data point. (Note: Group Retirement Plan Annuities (GRPAs) are ranked in a peer group that includes GRPAs, Mutual Funds and ETFs. Prior to 9/30/2013 only Mutual Funds and ETFs were used to construct the peer group. (Description provided by fi360)

### Peer Group (Morningstar Category)

In an effort to distinguish funds by what they own, as well as by their prospectus objectives and styles, Morningstar developed the Morningstar Categories. While the prospectus objective identifies a fund's investment goals based on the wording in the fund prospectus, the Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio and other statistics over the past three years). See specific category name for further details (i.e. "Peer Group - Large Value"). (Description provided by Morningstar)

### Redemption Fee

The redemption fee is an amount charged when money is withdrawn from the fund. This fee does not go back into the pockets of the fund company, but rather into the fund itself and thus does not represent a net cost to shareholders. Also, unlike contingent deferred sales charges, redemption fees typically operate only in short, specific time clauses, commonly 30, 180, or 365 days. However, some redemption fees exist for up to five years. Charges are not imposed after the stated time has passed. These fees are typically imposed to discourage market timers, whose quick movements into and out of funds can be disruptive. The charge is normally imposed on the ending share value, appreciated or depreciated from the original value. (Description provided by Morningstar)

### Sub-TA Fee

Also known as Sub-Transfer Agency Fees, the name of this fee refers to the subcontracting of participant accounting to third parties, called Sub Transfer Agents. The transfer agent is the bank or trust company that executes, clears and settles buy or sell orders for mutual fund shares, and maintains shareholder records of ownership. When these functions are subcontracted to another recordkeeper, the fee paid to the sub-contractor is called the Sub-TA fee. Typically, Sub-TA fees are not disclosed in the prospectus and can vary depending on the client's circumstances. This fee can be rebated back to the client to offset other plan expenses. (Description provided by fi360)

### Ticker

The NASDAQ assigned symbol commonly used to locate the fund on electronic price-quoting systems. Ticker information is provided by NASDAQ. Morningstar receives daily internet transmissions detailing ticker as well as fund-name changes, plus a listing of any funds that have been recently added or deleted from NASDAQ listings. The ticker symbol itself is designated by the fund company. Thus, tickers do not always follow a uniform pattern. (Description provided by Morningstar)

## Glossary (Cont.)

### Total operational fee

The total operational fee represents the true cost of an investment to the investor. It includes the effective management fee plus any applicable 12b-1, wrap and other fees for the investment. (Description provided by fi360)

### Total Return - Funds

Expressed in percentage terms, Morningstar's calculation of total return is determined each month by taking the change in monthly net asset value, reinvesting all income and capital-gains distributions during that month, and dividing by the starting NAV. Reinvestments are made using the actual reinvestment NAV, and daily payoffs are reinvested monthly. Unless otherwise noted, Morningstar does not adjust total returns for sales charges (such as front-end loads, deferred loads and redemption fees), preferring to give a clearer picture of a fund's performance. The total returns do account for management, administrative, 12b-1 fees and other costs taken out of fund assets. Total returns for periods longer than one year are expressed in terms of compounded average annual returns (also known as geometric total returns), affording a more meaningful picture of fund performance than non-annualized figures. (Description provided by Morningstar)

### Total Return - Percentile Rank

This is the investment's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing investment in a category will always receive a rank of 1. Rankings may vary among share classes and are based on historical total returns, which are not indicative of future results. (Description provided by Morningstar)

### Watch List

The watch list is a list of investments that fail to meet the stated due diligence requirements used to periodically monitor the investment. The due diligence requirements are typically outlined in an Investment Policy Statement. (Description provided by fi360)

### Wrap Fee

An inclusive fee generally based on the percentage of assets in an investment program, which typically provides asset allocation, execution of transactions and other administrative services. (Description provided by fi360)

## Investment Company Contact Information

For performance data current to the most recent month-end, please contact the investment company using the number(s) provided below.

Company Name	Phone Number(s)
Alpine	888-785-5578
American Funds	800-421-4225
Columbia	800-345-6611
DWS Investments	800-728-3337
Eaton Vance	800-262-1122
Fidelity Investments	877-208-0098
Janus	877-335-2687
JPMorgan	800-480-4111
MFS	800-225-2606
Nuveen	800-257-8787
T. Rowe Price	800-638-5660
Vanguard	800-662-7447



## Appendix - Fee Schedules

Any fee schedule utilized in the previous report sections will be shown below for additional details and clarity on the calculation process.

**Plan Assets:** \$631,227.00      **# of Participants:** 59

### Compensation Fee Schedules

#### Administration & Recordkeeping

Your fee tier will be assigned based on the # of participants in your plan. The minimum and maximum # of participants for each tier will be identified below. Since this is a tiered fee schedule, many tiers may be assessed depending on your current # of participants. Any applicable tier will be highlighted in yellow below. The yearly \$ amount will be calculated by multiplying the number of participants for that tier by the \$/part fee amount shown.

Minimum # of participants	Maximum # of participants	Fee Amount (per participant)	Participants multiplier	Yearly \$ amount	Annual \$ amount
1	25	50.00	25	1,250.00	1,250.00
26	50	40.00	25	1,000.00	1,000.00
51	100	30.00	9	270.00	270.00
101	and up	25.00			
<b>Total annual \$ amount for your plan</b>					<b>\$2,520.00</b>