

Top issues to include in your year- end review

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www.fi360.com

Topics

- The annual review process
- Suggested topics to discuss
- How to ...
 - Convey information
 - Guide decision-making
 - Document decisions

The annual review

- Essential part of monitoring, which is:
 - The most labor intensive and time consuming step
 - Area where there are the most fiduciary shortfalls
- Shortfalls are typically due to:
 - Inadequate preparation in earlier steps
 - Failure to apply established policies and procedures

The annual review

- Essential elements:
 - Gather the facts
 - Analyze the facts to generate findings
 - Act based upon findings
 - Document decisions
- Purpose: to assure that investor's objectives are being met

A top-down review process

- What has changed?
 - Law and regulation
 - Economy and markets
 - Investor objectives
- Asset allocation and portfolio composition
- Manager retention and replacement

What has changed: Law and regulation

- Individuals: Estate and income tax outlook
- Retirement plan sponsors: Fiduciary accountability
- Charitable Organizations: UPMIFA

What has changed: Economy and markets

- Extreme market volatility
- The “New Normal” (Bill Gross, PIMCO)
- Inflationary pressure from stimulus spending vs. deflation from weak employment, real estate, etc.
- Uncertain credit markets
- Dollar and commodity market volatility

What has changed: Investor objectives

- Individuals: Risk tolerance and return expectations; saving versus debt
- Retirement Plan Sponsors
 - DB Plans: Actuarial assumptions and funding obligations
 - DC Plans: Plan design issues (automatic enrollment, QDIA, investment vehicles, etc.)
- Charitable Organizations: Spending rate and evidence of stewardship

What has changed: General comments and suggestions

- Performance forecasting is more difficult than ever
- Asset class selection is more important than manager selection
- Fees and expenses are especially important in a period of low returns
- For most portfolios, contribution rate is the most important issue

Great Sources of Information

InvestmentNews Daily: The top financial stories critical to the advisory business

Mondaq: Personalized law, accountancy, and management consultancy newsletter

Seeking Alpha: Stock market opinion and analysis, and finance discussion

Financial-Planning: E-newsletters for independent advisors

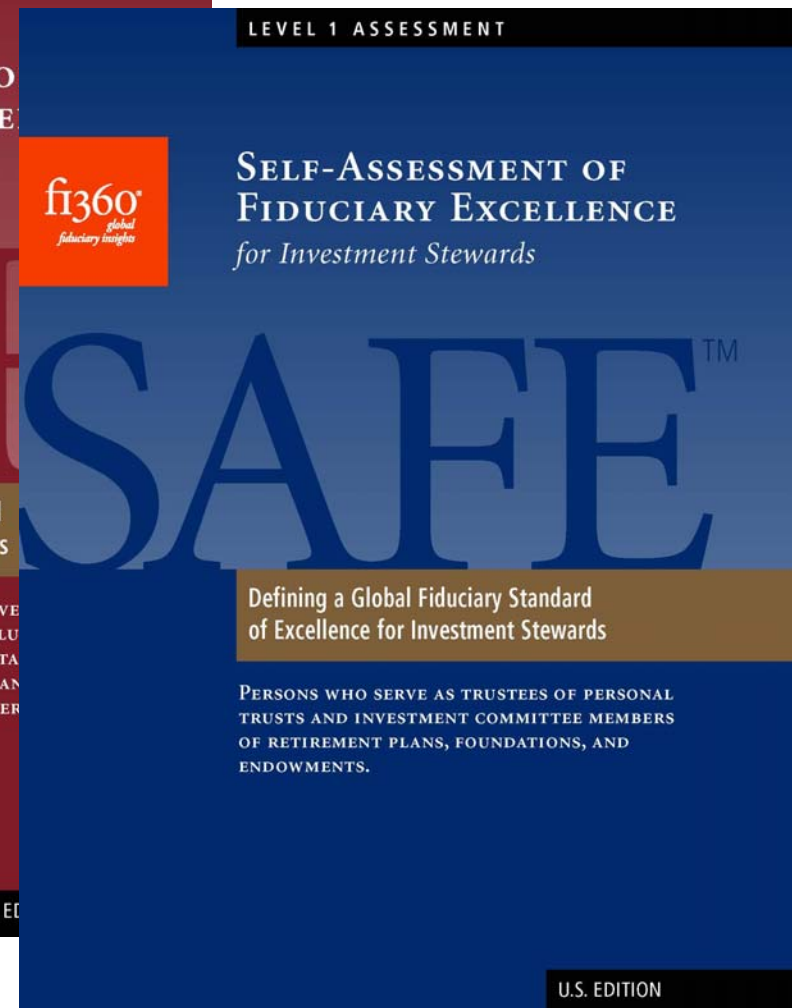
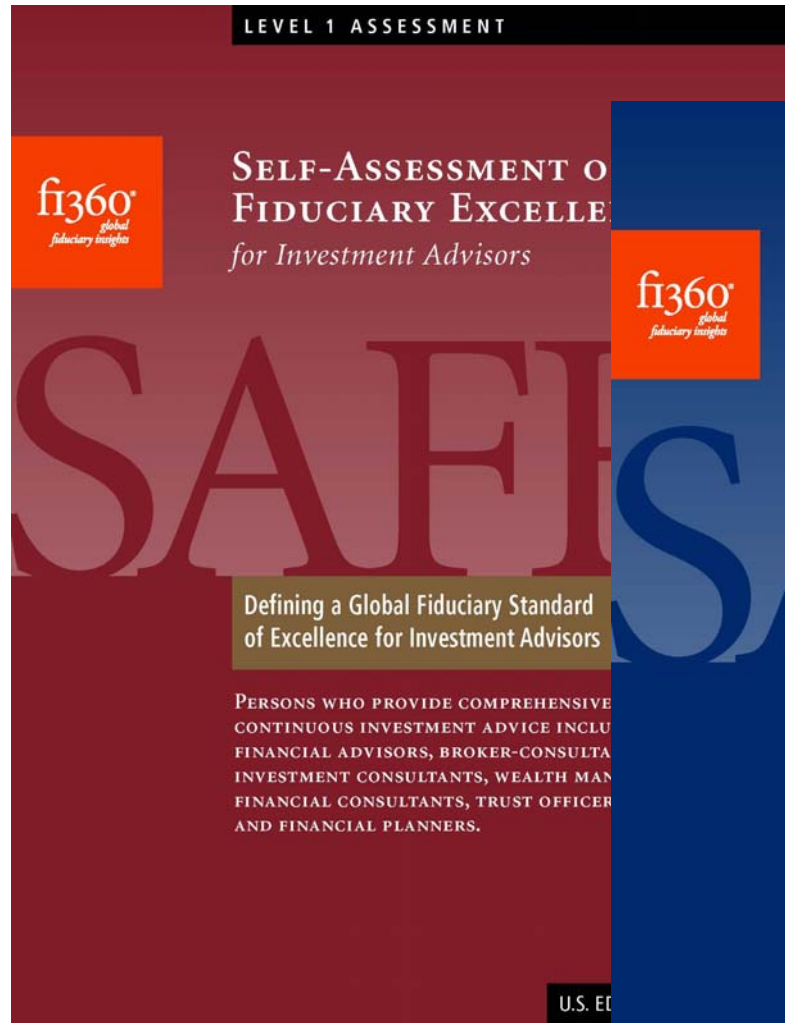
CFA Institute Financial NewsBrief: Daily financial and investment news

Advisors4advisors: A practice management website for independent financial advisors

How to...

Walk through select report segments from our tools to illustrate:

- Delivery of key information
- Deliberation/decision-making
- Documentation



Statement of Objectives

The Plan is a defined benefit plan established in 6/29/1977. The Plan currently has \$15,000,000 in assets and is Over-funded.

This IPS has been arrived at upon consideration by the Committee by a wide range of policies, and describes the prudent investment process the Committee deems appropriate. This process includes offering various asset classes and investment management styles that, in total, are expected to offer the opportunity to diversify the portfolio in a manner consistent with the specified risk and return requirements of the portfolio.

The objectives of the Plan are:

- Have the ability to pay all benefit and expense obligations when due.
- Control costs of administering the plan and managing the investments.
- Maximize return within reasonable and prudent levels of risk in order to minimize contributions.
- Follow general "safe harbor" rules:
 - i. Use prudent experts (registered investment adviser (including mutual funds), bank, or insurance company) to make the investment decisions
 - ii. Demonstrate that the prudent expert was selected by following a due diligence process
 - iii. Give the prudent expert discretion over the assets
 - iv. Have the prudent expert acknowledge status (mutual funds are exempt from this requirement - the acknowledgement).
 - v. Monitor the activities of the expert and report on the agreed upon tasks.
- Maintain a "funding cushion" in benefit structure and expense
- Maintain flexibility in determining critical element in achieving secondary element.
- Maintain a fully funded status
- Investment managers are economic criteria established social factors may be considered

Time Horizon

The investment guidelines and the Plan's strategic asset allocation requirements are anticipated contribution.

Risk Tolerances

The Committee recognizes that some risk must be assumed in order to achieve the investment objectives of the plan. In establishing the risk tolerances of the IPS, the ability to withstand short and intermediate term variability were considered. A 1-yr loss limit of -7.2% has been calculated for the portfolio. Statistically speaking, there is a 2.5% chance that the 1-year return will actually be lower than -7.2%.

The plan's long time horizon, current financial condition and several other factors suggest collectively some interim fluctuations in market value and rates of return may be tolerated in order to achieve the longer-term objectives.

Performance Expectations

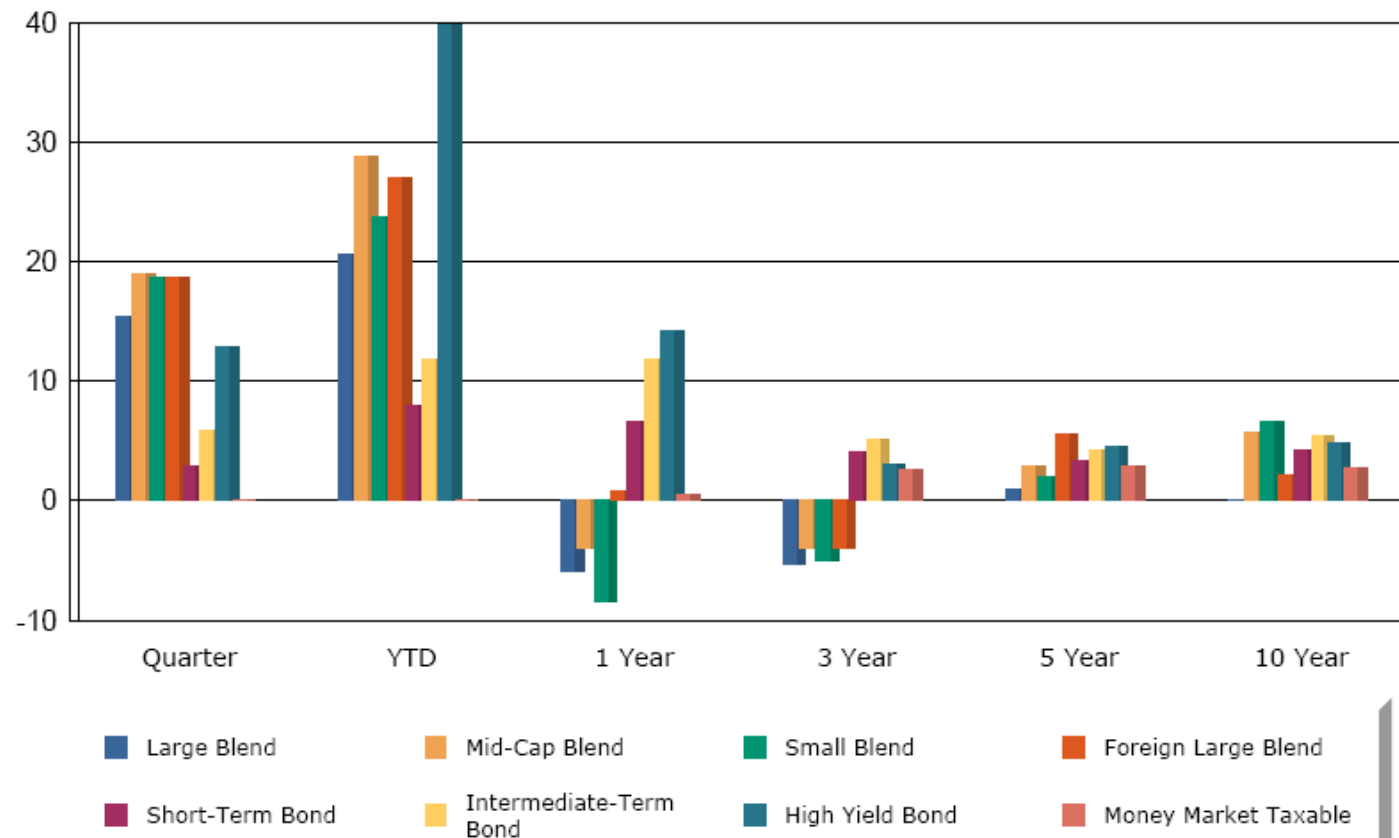
The desired investment objective is a long-term rate of return on assets that is at least 7.4%. The target rate of return for the Plan has been based upon the assumption that future real returns will approximate the long-term rates of return experienced for each asset class in the IPS. The Committee realizes market performance varies and a 7.4% rate of return may not be meaningful during some periods. Accordingly, relative performance benchmarks for the investment options are set forth in the "Monitoring" section.

Source:

Fi360 Toolkit – IPS
Generator: DB Plan

Overall Market Performance Summary (Total Returns)

Mutual Fund/ETF Peer Group	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Large Blend	15.45%	20.55%	-5.82%	-5.28%	1.03%	0.07%
Mid-Cap Blend	19.00%	28.87%	-3.89%	-3.99%	2.97%	5.67%
Small Blend	18.74%	23.79%	-8.45%	-4.95%	2.05%	6.58%
Foreign Large Blend	18.64%	27.04%	0.86%	-3.91%	5.66%	2.17%
Short-Term Bond	2.94%	8.00%	6.58%	4.15%	3.41%	4.27%
Intermediate-Term Bond	5.91%	11.79%	11.88%	5.17%	4.18%	5.49%
High Yield Bond	12.94%	39.83%	14.16%	3.09%	4.48%	4.86%
Money Market Taxable	0.02%	0.15%	0.46%	2.66%	2.83%	2.71%



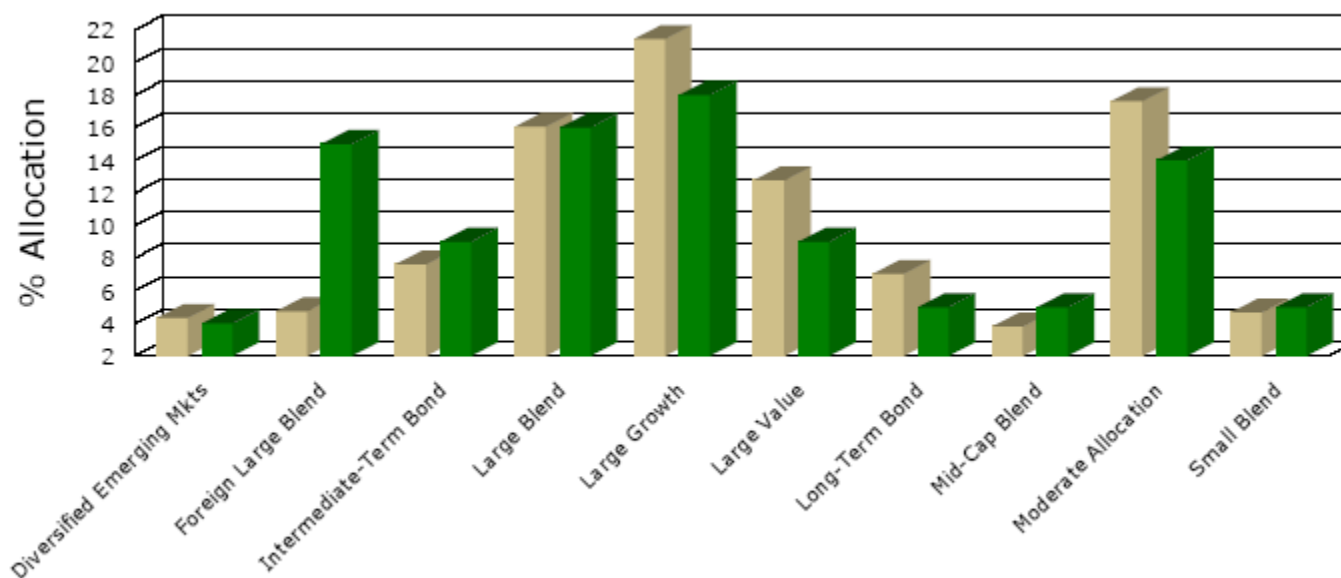
Source:
Fi360 Toolkit –
Monitoring Report

Asset Allocation Analysis

Peer Group	Actual Allocation		Investment Policy Statement Allocation Limits*			
	Amount	Percent	Lower	Strategic	Upper	Difference
Diversified Emerging Mkts	\$185,000	4.3%	0.0%	4.0%	9.0%	0.3%
Foreign Large Blend	\$202,000	4.7%	10.0%	15.0%	20.0%	-10.3% Actual below IPS lower limit
Intermediate-Term Bond	\$325,000	7.6%	4.0%	9.0%	14.0%	-1.4%
Large Blend	\$685,000	16.0%	11.0%	16.0%	21.0%	0.0%
Large Growth	\$915,000	21.4%	13.0%	18.0%	23.0%	3.4%
Large Value	\$545,000	12.8%	4.0%	9.0%	14.0%	3.8%
Long-Term Bond	\$300,000	7.0%	0.0%	5.0%	10.0%	2.0%
Mid-Cap Blend	\$162,000	3.8%	0.0%	5.0%	10.0%	-1.2%
Moderate Allocation	\$752,000	17.6%	9.0%	14.0%	19.0%	3.6%
Small Blend	\$199,000	4.7%	0.0%	5.0%	10.0%	-0.3%
Total	\$4,270,000	100%		100%		

*The Investment Policy Statement (IPS) Allocation Limits section displays the strategic or target allocation of the Portfolio along with the lower and upper rebalancing ranges for each asset class specified in the IPS. If the actual allocation of the Portfolio is outside this range, the IPS indicates that you should consider rebalancing.

Actual Allocation vs. Investment Policy Statement Strategic Allocation



Source:

Fi360 Toolkit –
Monitoring Report:
Foundation /
Endowment

Style Analysis

Morningstar® Style Box Overview

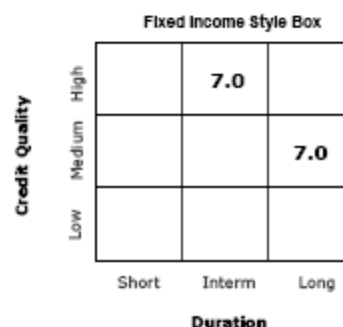
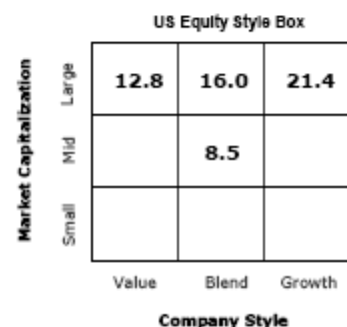
The Morningstar® Style Box is a nine-square grid that provides a graphical representation of the "investment style" of mutual funds, variable annuity sub-accounts and separately managed accounts.

- US and Intl. equities are classified according to market capitalization (the vertical axis) and growth and value factors (the horizontal axis).
- Fixed income funds are classified according to credit quality (the vertical axis) and sensitivity to changes in interest rates (the horizontal axis)

*Please note that some investments do not fit into a style box and will be identified below the charts. Also, investments that have BOTH an equity and fixed income style box reported will be excluded from the charts and identified below.

Investment Style Breakdown

The percentage of the portfolio allocated to each style is indicated in the charts below.



Style Box Detail (Ordered by Style Boxes shown above)

Name	Peer Group	Type	US Equity	Fixed Income	Intl Equity	%
MFS Value A	Large Value	MF				12.8%
AIM Charter A	Large Blend	MF				16.0%
MFS Growth A	Large Growth	MF				21.4%
Dreyfus Small Cap Equity I	Small Blend	MF				4.7%
Vanguard Mid Capitalization Index Ins	Mid-Cap Blend	MF				3.8%
UBS U.S. Bond A	Intermediate-Term Bond	MF				7.0%
Loomis Sayles Investment Grade F/I	Long-Term Bond	MF				7.0%
Vanguard Total Intl Stock Index	Foreign Large Blend	MF				4.7%
DFA Emerging Markets Value I	Diversified Emerging Mkts	MF				4.3%

Source:

Fi360 Toolkit –
Monitoring Report:
Style Analysis –
Foundation /
Endowment

Style Analysis

Morningstar® Style Box Overview

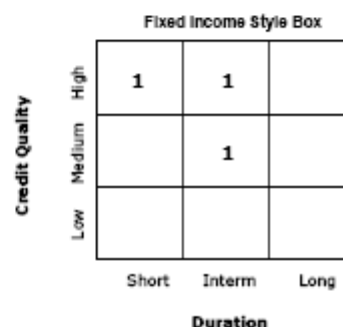
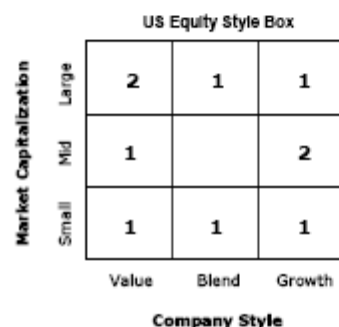
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*Please note that some investments do not fit into a style box and will be identified below the charts. Also, investments that have BOTH an equity and fixed income style box reported will be excluded from the charts and identified below.

Investment Style Breakdown

The number of investments in each style is indicated in the charts below.



Style Box Detail (Ordered by Style Boxes shown above)

Name	Peer Group	Type	US Equity	Fixed Income	Intl Equity
Principal Equity Income A	Large Value	MF			
Templeton Global Opportunities A	World Stock	MF			
Davis NY Venture A	Large Blend	MF			
T. Rowe Price Blue Chip Growth	Large Growth	MF			
Fidelity Value	Mid-Cap Value	MF			
Brandywine	Mid-Cap Growth	MF			
JPMorgan Mid Cap Equity Select	Mid-Cap Blend	MF			
Stratton Small-Cap Value	Small Blend	MF			

Source:

Fi360 Toolkit –
Monitoring Report:
Style Analysis –
401(k) Plan

Source:

Fi360 Toolkit – Fee &
Expense Report:
401(k) Plan
(Prototype)

Fee & Expense Report: Summary

Plan Demographics:

Total Assets: \$574,951.00 | # of Participants: 18

Recurring Fees

Expense Type	Party receiving revenue	Total Annualized Cost		
		Total \$ Amount	\$ Per Participant	% Total Assets
Plan Level Fees and Expenses				
Plan Advisor - 0.10 % of Assets paid Yearly	Advisor/Broker	\$575	\$32	0.10%
Trading Fee - 0.05 % of Assets paid Yearly	TPA	\$287	\$16	0.05%
Umbrella Co. - Recordkeeping (ex-Startup) - \$3,400.00 Flat Fee paid Yearly	TPA	\$3,400	\$189	0.59%
Umbrella Co. - Trustee Fees - 0.30 % of Assets paid Yearly	TPA	\$1,725	\$96	0.30%
Sub-total: Plan Level Fees and Expenses		\$5,987	\$333	1.04%
Operational Fees and Expenses				
Total 12b-1 Sales Fee	Advisor/Broker	\$0	\$0	0.00%
Total 12b-1 Service Fee	TPA	\$0	\$0	0.00%
Total Mgmt Fees	Fund Manager	\$2,283	\$127	0.40%
Total Sub-ta Fee	TPA	\$446	\$25	0.08%
Sub-total: Operational Fees and Expenses		\$2,729	\$152	0.47%
Client Rebates				
Sub-ta Fee		(\$446)	(\$25)	(0.08%)
Sub-total: Client Rebates		(\$446)	(\$25)	(0.08%)
Total Annual Recurring Expenses		\$8,270	\$459	1.44%

One-Time Plan Level Fees (if incurred)

Expense Type	Party receiving revenue	\$ Amount	\$ Per Participant	% Total Assets
Plan Level Fees and Expenses				
Start-up Expense - \$1,180.00 Flat Fee	TPA	\$1,180	\$66	0.21%

Fee & Expense Report: Operational Fee Detail

This section will detail all of the operational fees which are paid through each investment's expense ratio. It will also display comparative statistics to evaluate the investment's expense ratio to its peer group.

*The Mgmt Fees column contains 2 figures. The stated Mgmt fee from the Prospectus and the effective Mgmt fee implied by subtracting the 12b-1 fees and Sub-ta Fees from the Prospectus Net Expense Ratio. The Effective Fee represents the actual fees paid to the investment manager for managing and administering the fund. In addition the pure management fee, this would also include administration costs such as accounting, auditing, legal fees, etc.

*The Mgmt Fees column contains 2 figures. The stated Mgmt fee from the Prospectus Net Expense Ratio. The Effective Fee represents the actual fees paid to the investment manager for managing and administering the fund. If the fund charges a management fee, this would also include administration costs such as accounting, auditing, legal fees, etc.														
Broad Asset Class / Investment Name	Peer Group	Prospectus Net Expense Ratio						Expense Ratio Components (%)					Wrap Fee	
		Exp Ratio	Peer Group Percentiles					Percentile Rank in peer	Mgmt Fees* Stated Effective		12b-1 Fees Sales Service	Sub-ta Fees		
			10	25	50	75	90							
Large-Cap Equity														
		0.14	0.46	0.80	1.16	1.65	2.05	2	0.20	0.04	-	-	0.10	-
Columbia Large Cap Index Z (NINDX)	Large Blend							2	0.27	0.29	-	-	0.05	-
American Funds Growth Fund of Amer R5 (RGAFX)	Large Growth	0.34	0.76	0.96	1.26	1.78	2.09		0.58	0.60	-	-	0.15	-
MFS Value R4 (MEIDX)	Large Value	0.75	0.67	0.91	1.20	1.68	1.99	13						
Mid-Cap Equity														
		0.14	0.56	0.99	1.31	1.82	2.16	3	0.20	0.04	-	-	0.10	-
Columbia Mid Cap Index Z (NMPAX)	Mid-Cap Blend							7	0.66	0.78	-	-	-	-
T. Rowe Price Mid-Cap Growth (RPMGX)	Mid-Cap Growth	0.78	0.89	1.07	1.35	1.85	2.20	28	0.78	0.82	-	-	0.25	-
Perkins Mid Cap Value Investor (JMCVX)	Mid-Cap Value	1.07	0.84	1.01	1.28	1.75	2.09							
Small-Cap Equity														
		0.20	0.69	1.00	1.31	1.70	2.22	2	0.20	0.10	-	-	0.10	-
Columbia Small Cap Index Z (NMSCX)	Small Blend							1	0.23	0.22	-	-	-	-
Vanguard Small Cap Growth Index (VISGX)	Small Growth	0.22	1.00	1.20	1.48	2.00	2.33	15	0.78	0.70	-	-	0.35	-
Columbia Small Cap Value I Z (CSCZX)	Small Value	1.05	0.94	1.17	1.45	1.92	2.22							
Developed International Equity														
		0.51	0.75	1.09	1.43	1.90	2.25	5	0.43	0.46	-	-	0.05	-
American Funds EuroPacific Gr R5 (RERFX)	Foreign Large Blend													
									0.35	0.25	-	-	0.25	-

Peer Group	Prospectus Net Expense Ratio							Expense Ratio Components (%)					Wrap Fee
	Exp Ratio	Peer Group Percentiles					Percentile Rank in peer	Mgmt Fees*		12b-1 Fees		Sub-ta Fees	
		10	25	50	75	90		Stated	Effective	Sales	Service		
Large Blend	0.14	0.46	0.80	1.16	1.65	2.05	2	0.20	0.04	-	-	0.10	-
Large Growth	0.34	0.76	0.96	1.26	1.78	2.09	2	0.27	0.29	-	-	0.05	-
Large Value	0.75	0.67	0.91	1.20	1.68	1.99	13	0.58	0.60	-	-	0.15	-
Mid-Cap Blend	0.14	0.56	0.99	1.31	1.82	2.16	3	0.20	0.04	-	-	0.10	-
Mid-Cap Growth	0.78	0.89	1.07	1.35	1.85	2.20	7	0.66	0.78	-	-	-	-
Mid-Cap Value	1.07	0.84	1.01	1.28	1.75	2.09	28	0.78	0.82	-	-	0.25	-

Source:

Fi360 Toolkit – Fee & Expense Report: 401(k) Plan (Prototype)

Investment Policy Statement Watch List Criteria

1	Prospectus Net Exp Ratio: The investment must place in the top 75% of its peer group. (Optional)
2	1 Year Return: The investment must place in the top 50% of its peer group. (Optional)
3	3 Year Return: The investment must place in the top 50% of its peer group. (Optional)
4	5 Year Return: The investment must place in the top 50% of its peer group. (Optional)
5	Alpha: The investment must place in the top 50% of its peer group. (Optional)
6	Sharpe: The investment must place in the top 50% of its peer group. (Optional)
7	Inception Date: The investment must have at least a 3 year track history. (Optional)
8	Assets: The investment must have at least 75 million under management. (Total across all share classes for funds/etfs) (Optional)
9	Manager Tenure: The investment manager must have at least a 2 year track history. (Most senior manager's tenure) (Optional)
10	Style: The investment's current style box should match the peer group. (Not applied to all peer groups) (Optional)
11	Composition: The investment's allocation to its primary asset class should be greater than or equal to 80%. (Not applied to all peer groups) (Optional)

Optional Factor Requirements

In addition to meeting all of the required factors, 7 of the 11 optional factors must be satisfied to meet the IPS Criteria.

Investment does not meet the factor/criteria

N/A Investment data is not available

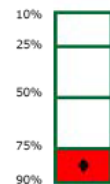
Investment Name	Meets IPS Criteria	IPS Watch List Criteria Factors										
		1	2	3	4	5	6	7	8	9	10	11
American Funds Capital World Bond A	✓	✓	X	✓	✓	X	✓	✓	✓	✓	N/App	N/App
Artisan Small Cap Value	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/App	N/App
Berwyn Income	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X	✓
BlackRock Global Allocation A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/App	N/App
Brandywine	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/App	N/App
Davis NY Venture A	X	✓	X	X	X	X	X	✓	✓	✓	✓	✓
Dodge & Cox Income	✓	✓	X	X	✓	✓	✓	✓	✓	✓	✓	✓
Federated Strategic Income A	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Fidelity Freedom 2010	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/App	N/App
Fidelity Freedom 2020	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/App	N/App
Fidelity Freedom 2030	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/App	N/App

Source:

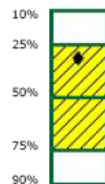
Fi360 Toolkit –
Monitoring Report:
IPS Monitoring &
Watch List Criteria

Brandywine (BRWIX)

Fi360 Fiduciary Score™



Quarter: 83
of Peers: 649
Classification
Watch (4)



Average: 30
of Peers: 649
Classification
Watch (2)

The fi360 Fiduciary Score™ is a quantitative evaluation of how well a fund meets a minimum set of due diligence criteria. The criteria include total returns, risk-adjusted returns, expenses, and other portfolio statistics. The fi360 Fiduciary Score™ Quarter is calculated on a quarterly basis for every fund and ETF with 3 years of history. The fi360 Fiduciary Score™ Average is a 3-year average of a fund's quarterly Scores. View the Glossary for a full description.

Peer Group

Mid-Cap Growth

Benchmark Index (▲)

Russell Mid Cap Growth TR USD

Fund Availability

Open

Portfolio Manager(s)

Ragard/ DALonzo/ Fenn

Fi360 Fiduciary Score™ Criteria

Inception Date: 12/12/1985
Assets (\$Mil): 2,283.5
Manager Tenure (yr): 23.8 (Longest)

Style Consistency:
No shortfall

Composition:
No shortfall

U.S. Stocks: 94.5%
Non-U.S. Stocks: 4.0%
U.S. Bonds: 0%
Non-U.S. Bonds: 0%
Cash: 1.4%
Other: 0%

Prospectus Net

Alpha

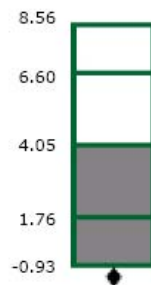
Sharpe Ratio

1 Year

3 Year

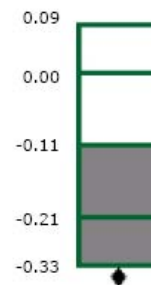
5 Year

Alpha (3 year)



-4.09

Sharpe Ratio (3 year)



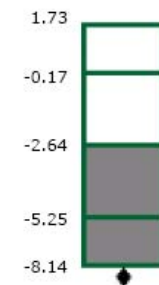
-0.45

1 Year Total Return (Rank)



-20.98 (99%)

3 Year Total Return (Rank)



-8.89 (94%)

5 Year Total Return (Rank)



0.18 (85%)

-0.40

-3.10

3.75

649

649

740

649

541

Source:

Fi360 Toolkit – Fund
Profile Report

Source:

Fi360 Toolkit – “Fund Fact Sheet” Report (Prototype)

Brandywine

Basic Fund Data

Peer Group	Mid-Cap Growth
Family Name	
Inception Date	
Fund Net Assets (Millions)	
Broad Index	
Peer Group Index	Russell Mid Cap Growth
Best Fit Index	Morningstar Mid Growth
Manager Tenure (Longest)	
Ragard/D'Alonzo/Fenn	

Morningstar® Style Box

Equity-Style	Fixed Income-Style
<input type="checkbox"/> Large-Cap Growth <input checked="" type="checkbox"/> Mid-Cap Growth <input type="checkbox"/> Small-Cap Growth	<input type="checkbox"/> Conservative <input type="checkbox"/> Moderate <input type="checkbox"/> Aggressive

Investment & MPT Statistics

	3yr	5yr
Sharpe Ratio	-0.61	-0.12
Standard Deviation	20.92	18.64
	Broad Index	
	2yr	5yr
Alpha (3yr)	-5.87	-0.86
Beta (3yr)	0.87	0.95
R-Squared (3yr)	67.60	66.77

Investment Expenses

	Gross
Prospectus Expense Ratio	1.08
	Front
Sales Charge/Load	-
	Turnover %
Other Expense Items	210
Fee Waiver/Cap	
None	

Purchase Constraints

Minimum Initial Investment	\$10,000.00
Fund Availability	
Open	

Special Characteristics

None

Investment Strategy

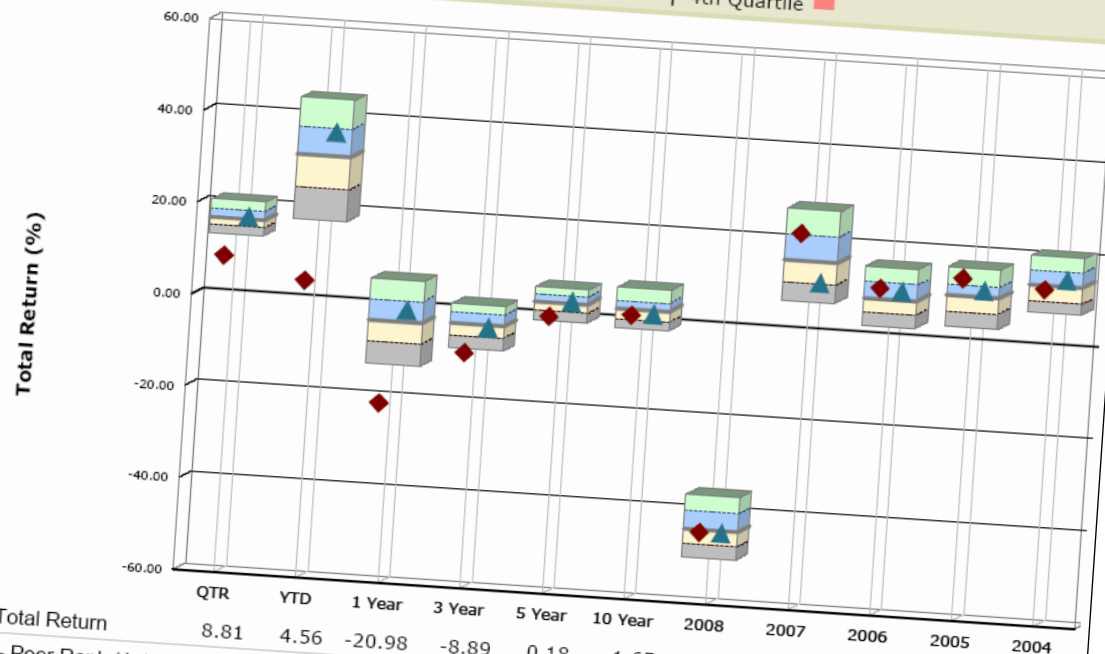
The investment seeks long-term capital appreciation. The fund normally invests in common stocks of U.S. companies and in equity securities of foreign issuers, usually those which are publicly traded in the United States either directly or through American Depositary Receipts ("ADRs"). It invests in companies in a broad range of industries but generally focus on companies whose earnings are growing by at least 20% per year and whose stocks sell at reasonable price-to-earnings ratios.

Performance Analysis

BRWIX

Fund Total Return (No load) ◆ | Peer Group Index ▲

Peer Group: Top Quartile ■ | 2nd Quartile ■ | 3rd Quartile ■ | 4th Quartile ■



	QTR	YTD	1 Year	3 Year	5 Year	10 Year	2008	2007	2006	2005	2004
Total Return	8.81	4.56	-20.98	-8.89	0.18	1.65	-44.50	21.80	11.09	14.39	13.11
- Peer Rank (1-100)	100	99	99	94	85	65	54	24	35	18	55
- # of Peers	775	743	740	649	541	266	704	659	608	553	509
Peer Median	16.87	31.83	-3.13	-2.64	3.30	2.96	-43.98	15.89	8.79	10.61	13.99
Peer Group Index	17.58	37.12	-0.40	-3.10	3.75	2.18	-44.32	11.43	10.66	12.10	15.48

The performance information shown is for informational purposes only. It does not represent a guarantee of results. The investment return and principal value of an investment will fluctuate so that an investment, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information shown. For performance data current to the most recent month-end, please call 800-656-3017 or visit www.brandywinefunds.com.

Holdings Analysis

2009-09-30

Composition (#Stocks:90 | #Bonds: 0)

U.S. Stocks	92.06
Non-U.S. Stocks	6.54
U.S. Bonds	0.00
Non-U.S. Bonds	0.00
Cash	1.39
Other	0.00



Regional Weightings (Stock %)

US/Canada	92.06
Latin America	0.07
UK/Europe	2.74
Asia/Middle East	3.83
Africa	0.00
Australasia	0.00
Japan	0.00
Other	1.30

Top 10 Holdings

Comcast Corporation A	3.73
McDermott International	3.53
Dollar Tree Stores, Inc.	3.46

Fixed Income Credit Ratings (Bond %)

AAA
AA

Model Allocation Analysis

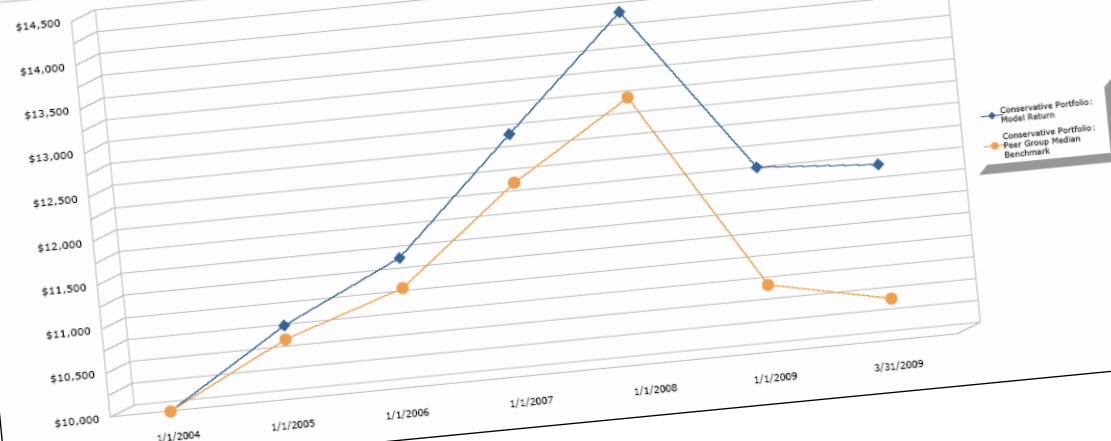
	Peer Group	Investment Name	Conservative Portfolio	Moderate Portfolio	Aggressive Portfolio
Allocation	Moderate Allocation	Oppenheimer Quest Opportunity Value N (QOPNX)	10.00	15.00	20.00
	Total		10.00	15.00	20.00
Cash	Money Market Taxable	Oppenheimer Cash Reserves N (-)	25.00	10.00	-
	Total		25.00	10.00	0.00
Equity	Large Blend	American Funds Fundamental Invs R3 (RFNXX)	5.00	10.00	15.00
		Davis NY Venture R (NYVRX)	5.00	10.00	15.00
	Small Blend	Oppenheimer Main St Small Cap N (OPMNX)	-	5.00	10.00
	Foreign Large Growth	Oppenheimer International Growth N (OIGNX)	5.00	10.00	15.00
	Real Estate	Oppenheimer Real Estate N (ORENX)	-	5.00	5.00
	World Stock	Mutual Discovery R (TEDRX)	2.00	5.00	15.00
	Equity Precious Metals	Oppenheimer Gold & Special Minerals N (OGMNX)	3.00	5.00	5.00
	Total			50.00	80.00
Fixed Income	Intermediate-Term Bond			15.00	-
				5.00	-
				5.00	-
				25.00	0.00
				100.00	100.00

Model Performance Analysis

This report is intended to compare the weighted performance of each model to its respective peer group median benchmark. It should NOT be used to represent the actual returns realized since timing and cash flows are not considered. Further, all performance presented in this report considers only mutual fund and ETF holdings. Separately managed accounts, variable annuity sub-accounts and custom holdings are not considered in the calculations. If an underlying fund in a model does not have the required history, it's allocation is excluded from that period's calculation. Please view the following page for more details.

Model Name	Performance (%)					1-Year Annualized Return	3-Year Annualized Return	5-Year Annualized Return
	2004	2005	2006	2007	2008			
Conservative Portfolio (Rebalanced Quarterly)	6.42	5.83	11.10	9.83	-13.57	-14.70	0.23	3.14
Model Return	6.83	4.21	9.55	6.84	-17.37	-18.12	-2.91	0.53
Peer Group Median Benchmark								

Hypothetical Growth of a \$10,000 Investment



Source:

Fi360 Toolkit – 401(k)
Models Report
(Prototype)

Source:

Fi360 Toolkit –
Monitoring Report:
Investment
Commentary

Investment Commentary

American Funds Capital World Bond A (CWBPA)

Peer Group: World Bond
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Artisan Small Cap Value (AKTVX)

Peer Group: Small Value
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Federated Strategic Income A (STIAI)

Peer Group: Multisector Bond
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Fidelity Freedom 2010 (FFFCX)

Peer Group: Target Date 2000-2010
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Fidelity Freedom 2020 (FFFDX)

Peer Group: Target Date 2016-2020
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Fidelity Freedom 2030 (FFFDX)

Peer Group: Target Date 2026-2030
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

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Prepared for: Smith Group Sample DC Plan

Investment Commentary (Cont.)

Prepared for: Smith Group Sample DC Plan

Fidelity Value (FDVLX)

Peer Group: Mid-Cap Value
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Commentary:

The investment seeks capital appreciation. The fund invests primarily in equity securities issued by companies that management believes are undervalued or that possess valuable fixed assets. Valuable assets may include equipment, natural resources, and real estate, as well as intangible assets such as trademarks, franchises, and transportation routes. The fund may invest in securities of foreign issuers.

HSBC Investor International Equity (RINEX)

Peer Group: Foreign Large Value
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? Yes
Recommendation: Watch

Commentary:

The investment seeks long-term growth of capital and future income. The fund invests all of assets in the HSBC Investor International Equity portfolio which normally invests at least 80% of assets in foreign equity securities, including common stocks, preferred stocks, warrants, and convertible securities. The portfolio invests primarily in developed markets, but may invest up to 20% of assets in emerging markets. It ordinarily maintains investments in at least three foreign countries.

JPMorgan International Equity Index A (OIEAX)

Peer Group: Foreign Large Blend
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Commentary:

The investment seeks to replicate the aggregate price and dividend performance of the MSCI EAFE GDP Index. The fund normally invests at least 80% of assets in common stocks (including American Depositary Receipts), preferred stocks, convertible securities (provided they are traded on an exchange or over-the-counter), warrants, receipts and other equity securities that comprise the index or indices identified by the fund. It may invest up to 10% of assets in securities of emerging international markets, up to 20% of assets in debt securities, up to 10% of assets in cash or cash equivalents.

Principal Equity Income A (PEIAX)

Peer Group: Large Value
Type: Mutual Fund
Meets IPS Watch List Criteria? ☒
On Watch List? No
Recommendation: No action required

Commentary:

The investment seeks to provide a relatively high level of current income and long-term growth of income and capital. The fund invests primarily at least 80% of net assets (plus any borrowings for investment purposes) in dividend-paying common stocks and preferred stocks. It may invest in fixed-income securities of any maturity, including mortgage-backed securities, U.S. government securities, and asset-backed securities. The fund may also invest up to 20% of assets in below-investment-grade fixed-income securities.

Source:

Fi360 Toolkit –
Monitoring Report:
Watch List – Action
Items

Watch List - Action Items

Prepared for: Smith Group Sample DC Plan

Brandywine (BRWDQ)

Peer Group: Mid-Cap Growth

Type: Mutual Fund

Meets IPS Watch List Criteria? **X**

Investment Policy Statement

Watch List Criteria Summary

Prospectus Net Exp Ratio	✓
1 Year Return	X
3 Year Return	X
5 Year Return	X
Alpha	X
Sharpe	X

Meeting Notes:

Brandywine (BRWIX)

Peer Group: Mid-Cap Growth

Type: Mutual Fund

Meets IPS Watch List Criteria? **X**

Investment Policy Statement

Watch List Criteria Summary

Prospectus Net Exp Ratio	✓
1 Year Return	X
3 Year Return	X
5 Year Return	X
Alpha	X
Sharpe	X
Inception Date	✓
Assets	✓
Manager Tenure	✓
Style	✓
Composition	✓

Meeting Notes:

Meeting Decision:

Recommendation: Watch

Announcements—Thank you

- A recording of this and previous webinars will be available in the archive:
www.fi360.com/webinars
- Report attendance at September Webinar for one hour of CE for your AIF or AIFA designation on your next designation renewal form.
- Visit the fi360 Blog for more sources of information and to continue the dialogue in the comments section: blog.fi360.com
- Email resources@fi360.com for any follow up questions

fi360 Updates

- The 2010 fi360 Conference is taking place May 5-7 in Orlando! Learn more: www.fi360.com/conference
- The 2010 AIF/AIFA Training calendar is now available—contact training@fi360.com to learn more about available options and special pricing for Webinar attendees!
- Sign up for a FREE trial to the fi360 Tools demonstrated in today's webinar: www.fi360.com/main/tools_register.jsp

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