

ERISA 404(c) COMPLIANCE

CHECKLIST

Client

Prepared by

[FIRM]

Year

Search and replace the following then delete this area in blue:

Client = Client's Name

Recordkeeper = Recordkeeper's Name

Year = Current Plan Year

401(k) = 403(b) (only if you have an ERISA 403(b) plan)

Complete or confirm the areas in red ink, change the font to black, then delete this sentence

If the client uses the sample 404(c) notice we provide on an annual basis you do not have to confirm the purple areas.

Please note in the fee section to ensure the N/A's are accurate. If not you will need to describe those fees. If you are a fee based advisor on the plan you do not have to confirm the brown ink areas.

You must look at the plan document to determine how it handles voting tender rights. N/A is almost always applicable unless the plan offers employer stock.

Under the Employee Retirement Income Security Act of 1974 (ERISA), the fiduciaries of retirement plans are responsible for all investment decisions, including those made by the participants in participant directed plans, unless the plan is an "ERISA Section 404(c) plan." Section 404(c) of ERISA provides that if a plan permits the participants to exercise control over the assets in their accounts and they actually do so, the fiduciaries are not liable for any loss which results from such exercise of control so long as the plan complies with the requirements of the Department of Labor Regulation under Section 404(c). That Regulation describes the circumstances under which a participant or beneficiary is considered to have exercised independent control over the assets in his account as contemplated by Section 404(c).

This checklist is intended to assist the fiduciaries in ensuring that the plan they serve is an “ERISA Section 404(c) plan.” It lists the requirements that must be met (including a reference to the Department of Labor regulation where that requirement can be found) and provides an explanation of the requirement and instructions regarding compliance where appropriate. The purpose of the checklist is to indicate whether compliance has been achieved.

The checklist is organized in five sections. The first section lists the general requirements for plans that intend to comply with section 404(c); the second section lists the information that must be furnished to participants; the third section lists the information that must be available to participants, upon request; the fourth section lists the special requirements that apply to plans which include employer securities as an investment option; and the fifth section lists restrictions that may be imposed.

I. GENERAL REQUIREMENTS	IS THIS REQUIREMENT SATISFIED? (YES OR NO)	HOW IS THIS REQUIREMENT SATISFIED?	COMMENTS
1. The plan must be an “individual account plan” – <i>i.e.</i> , a 401(k) plan or profit sharing plan? <i>2550.404c-1(b)(1)</i>	YES	Individual 401(k) participant accounts are established at Recordkeeper. Each participant has access and the ability to trade within their account.	Participants are advised of their access to account information in the new hire enrollment meeting. In addition, they receive quarterly participant statements from Recordkeeper and an annual 404(c) notice.
2. The plan must permit the participants to give instructions, written or otherwise, with respect to the investment of their accounts. <i>2550.404c-1(b)(1)(i)</i>	YES	Participants have the ability to instruct Recordkeeper via the toll free customer service number, via the toll free hearing impaired line or online at the Recordkeeper website, on what trades they wish to make. In addition, participants can contact Client to provide them with written trade instructions.	Participants have four options for having their trades executed. Each of the options is very user friendly and easily understood. Any participant would wants to execute changes can do so via either the website or toll free customer service number. Participants can contact the recordkeeper, client or [FIRM] if they have questions.
3. The plan must provide participants the opportunity to exercise control over the assets in their accounts NOTE: This requirement is fully discussed in Section II, below. <i>2550.404c-1(b)(2)(i)</i>	YES	Participants have the complete right and responsibility to select from the investment options offered. Only the participant can make changes to how their account balance is invested.	Neither recordkeeper, client nor [FIRM] can go into a participant account and change how they are invested. All changes must come directly from the participant or be directed verbally by the participant.
4. The plan must provide participants the opportunity to receive written confirmation of investment instructions NOTE: This requirement can be satisfied automatically by providing confirmation of investment instruction. <i>2550.404c-1(b)(2)(i)(A)</i>	YES	Trades executed on the Recordkeeper website have a trade confirmation that is provided upon execution. Those using the toll free numbers can request email confirmation of any trade.	All trades processed will include the delivery of some form of written confirmation. Any participant seeking written confirmation always has the option of contacting recordkeeper to obtain it. They are notified of this option in the annual 404(c) notice.
5. The plan must offer participants a choice from a broad range of investment alternatives.	YES	The plan offers the following investment options:	The asset classes and investment options noted to the left are provided to participants affording them with the

<p>A plan will meet this requirement only if the available investment alternatives are sufficient to provide the participant with a reasonable opportunity to satisfy the requirements listed below:</p> <p><i>2550.404c-1(b)(3)(i)</i></p>		<p>Total Asset Classes: Total Active Options: Total Passive Options: Cash Options: Bond Options: Stock Options: Balanced Options: Allocation Models: Target Date Options: flexPATH Options:</p>	<p>ability to adequately diversify regardless of their account balance, contributions and desire for risk.</p>
<p>a. The participants must be able to select among alternatives that will permit them to materially affect the potential return and the degree of risk on amounts in their individual accounts.</p> <p><i>2550.404c-1(b)(3)(i)(A)</i></p>	<p>YES</p>	<p>The asset classes utilized vary significantly allowing risk allocations ranging from conservative to aggressive. Participants can control their potential return and degree of risk.</p>	<p>Any fund replacements that occur take place at the asset class level in order to maintain the same risk level. At times new asset classes may be added or existing ones deleted. Participant communications will indicate when this takes place.</p>
<p>b. The participants must be able to choose from at least three investment alternatives that meet the following four requirements:</p> <p><i>2550.404c-1(b)(3)(i)(B)</i></p>	<p>YES</p>	<p>All of the investment options identified in Section 5 above meet this criteria. Each has its own unique method for diversifying.</p>	<p>Within many of the investment options offered the manager also accounts for potential risk by acquiring assets that conversely correlate to market movements.</p>
<p>c. Each alternative must be diversified.</p> <p><i>2550.404c-1(b)(3)(i)(B)(1)</i></p>	<p>YES</p>	<p>Mutual funds, ETF's, CIT's and various cash options may be utilized to ensure adequate distribution of allocations among the asset classes.</p>	<p>The investment options typically have between 25 and 2,000 different holdings. The number of holdings can vary based upon whether it is an active or passive management style.</p>
<p>d. Each alternative must have materially different risk and return characteristics.</p> <p><i>2550.404c-1(b)(3)(i)(B)(2)</i></p>	<p>YES</p>	<p>Establishing options at the asset class level ensures they possess materially different risk & return characteristics.</p>	<p>Through the analysis of Style, Style Drift, R Squared, Risk Return, Up/Down, Information Ratio and Tracking Error (passive options) we ensure each investment alternative has materially different risk and return characteristics.</p>
<p>e. In the aggregate, the alternatives must enable the participant by choosing among them to achieve a portfolio with aggregate risk and return characteristics at any point within the range normally appropriate for the participant or beneficiary</p> <p><i>2550.404c-1(b)(3)(i)(B)(3)</i></p>	<p>YES</p>	<p>The plan offers the variety of investment options identified in Section 5 above. These alternatives provide participants adequate ability as their risk tolerance shifts to adjust their holdings reflecting the level of risk they wish to take.</p>	<p>The asset classes selected were done so taking into consideration the reality that participants could range from age 18 to age 80 or older. Thus, in constructing the portfolio we selected asset classes that would allow all levels on the risk spectrum to adequately diversify.</p>
<p>f. Each of the alternatives, when combined with investments in the other alternatives, tends to minimize through diversification the overall risk of a participant's portfolio.</p> <p><i>2550.404c-1(b)(3)(i)(B)(4)</i></p>	<p>YES</p>	<p>The asset classes were chosen comparing correlating returns. During normal market activity one can see how asset classes fluctuate in performance. The asset classes selected accounted for these variables.</p>	<p>The committee included asset classes to take into account the various risk profiles of each asset class with the goal of providing the ability of leveling out performance for participants based upon the level of risk they wish to take.</p>

<p>g. The participants must be able to diversify the investment of their accounts so as to minimize the risk of large losses, taking into account the nature of the plan and the size of participants' accounts.</p> <p>2550.404c-1(b)(3)(i)(C)</p>	<p>YES</p>	<p>The plan allows for adequate use of cash, debt & equity positions. Those adverse to risk can reduce concerns of performance based risk by investing in the cash option.</p>	<p>The asset class distribution was established using historically accepted performance guidelines. It cannot account for a market meltdown as experienced in 2008. However, those following a more conservative approach with a higher percentage of their account in cash and debt can alleviate risk associated with market events like 2008.</p>
<p>h. Where look-through investment vehicles are available as investment alternatives to participants, the underlying investments of the look-through investment vehicles must be considered in determining whether the plan satisfies the diversification requirements.</p> <p>NOTE: Look-through investment vehicles include mutual funds, common or collective trust funds or other bank pooled accounts, insurance company separate accounts or other investments in which the assets of the entity are treated as plan assets.</p> <p>2550.404c-1(b)(3)(ii)</p>	<p>YES</p>	<p>The plan utilizes look through vehicles. Mutual Funds, ETF's, CIT's and Cash Options disclose their top 10 holdings by name. They also disclose their underlying holdings in terms of the general ares of investment. The retirement plan committee takes all of this information into account.</p>	<p>Client has created an investment option lineup that took into consideration the variety of asset classes required for proper diversification. Upon establishment of the asset classes consideration was then given to the underlying holdings of each investment option selected. Ongoing monitoring includes analysis of the underlying holdings based upon [FIRM]'s 10 criteria.</p>

II. INFORMATION THAT MUST BE FURNISHED TO PARTICIPANTS REGARDING INVESTMENT ALTERNATIVES	IS THIS INFORMATION PROVIDED TO PARTICIPANTS? (YES OR NO)	HOW IS THIS REQUIREMENT SATISFIED?	COMMENTS
1. REQUIRED INFORMATION—Participants are given the opportunity to exercise control over the assets in their accounts NOTE: The plan document <u>must</u> permit participant-directed investments.	YES	The Adoption Agreement to the prototype plan provides participants the right to direct investments in all accounts. The SPD also notes accounts are self-directed.	The annual 404(c) notice to participants states that the participant alone has the right to direct investments within their accounts.
a. The plan must provide participants an opportunity to exercise control over the assets in their account NOTE: Items (i)-(iii) contain the specific requirements for fulfilling this. 2550.404c-1(b)(2)(i)	YES	Participants initially select their investment options on the enrollment form. Once enrolled they have access to the Recordkeeper website, or toll free CRS, where changes can be made to the allocations.	There are no impediments to participants controlling the assets in their accounts. Regardless of technological ability they can easily have changes made to reflect their desires. They simply have to request assistance from the recordkeeper.
i. Name, address & telephone number of the fiduciary responsible for receiving and carrying out participant investment instructions 2550.404c-1(b)(2)(i)(A)	YES	The annual 404(c) notice lists client as the Fiduciary which they can contact to receive and carry out their investment instructions.	Each year the 404(c) notice is provided to participants. Client must also ensure that the IRS Form 5500 preparer checks box 2f in question 8a indicating intent to comply with Section 404(c).
ii. Participants must be notified of any limitations on giving investment instructions under the terms of the plan. NOTE: This includes restrictions imposed by the recordkeeping system, if any. This disclosure includes information regarding any trading restrictions imposed by the plan or by the recordkeeper which must be communicated to the participants. This is an on-going responsibility and must be updated if and as circumstances change. 2550.404c-1(b)(2)(i)(B)(1)(iv)	YES	Each participant receives an annual 404(c) notice. In the event limitations are created they will appear on said notice. At this time there are no limitations.	Client provides the annual notice to the plan each year. Any changes will be reviewed with the investment committee so they understand why changes were made. Should recordkeeper impose trading restrictions on the plan or a participant the committee will be notified.
(a) Notice to participants about transactions the fiduciary will not process in order to avoid disqualifying the plan and violating 404(c) qualification requirements, if such restrictions apply	YES	Participants are advised that only the investment options made available can be purchased. No self directed brokerage accounts are available so this is really a non-issue. The type of options	Since company stock is not an investment option there really is no instruction that can be given which might result in the plan's disqualification. If for some reason it was conveyed that a purchase was being made based upon inside information than it would not

2550.404c-1(b)(2)(i)(A)		offered also reduces insider trading concerns.	be accepted by recordkeeper.
(b) An explanation of any restrictions or limitations on instructions and transfers 2550.404c-1(b)(2)(i)(B)(1)(iv)	YES	There are none at this time and should any be created it would appear on the annual 404(c) notice provided to participants.	This is a non-issue at the present time.
iii. Explanation of the circumstances under which participants may give investment instructions 2550.404c-1(b)(2)(i)(B)(1)(iv)	YES	There are no limitations at this time and should any be created they would appear on the annual 404(c) notice provided to participants.	This is a non-issue at this present time.
b. A written notice stating that: (1) The plan intends to comply with 404(c); and (2) the plan fiduciaries may be relieved of liability for losses due to participant investment direction: NOTE: The DOL regulation for SPDs requires that the SPD state whether the plan intends to be a “404(c) plan.” 2550.404c-1(b)(2)(i)(B)(1)(i)	YES	The annual 404(c) notice includes the following statements: The Client 401(k) Plan is intended to constitute a plan as described in Section 404(c) of the Employee Retirement Income Security Act (ERISA), and Title 29 of the Code of Federal Regulations Section 2550.404c-1. Client 401(k) Plan Fiduciaries may be relieved of liability for any losses which are the direct & necessary result of investment instructions given by participants or beneficiaries.	Client is responsible for ensuring that the SPD states the plan intends to be compliant with Section 404(c). [FIRM] will review the SPD upon request.
c. Provide participants the opportunity to obtain sufficient information to make informed investment decisions, which includes providing participants the information in items i-iii, below. 2550.404c-1(b)(2)(i)(B)	YES	Each participant receives an enrollment kit and obtains access to the Recordkeeper website. Participants have the ability to ask questions of recordkeeper or [FIRM].	All participants are instructed at the time of enrollment they can contact recordkeeper to answer questions. Each is provided adequate opportunity to receive any information they desire.
i. Name, address & telephone number of the fiduciary responsible for providing information available on request and a description of that information 2550.404c-1(b)(2)(i)(B)(1)(vi)	YES	This is accomplished in the annual 404(c) notice.	Client is the 404(c) fiduciary and their phone number (direct & toll-free), address and email are listed on the notice.
ii. A description of investment alternatives available under the plan and, for each investment alternative, participants must be provided with specific information:	YES	One page fund fact descriptions and the complete fund prospectus are available online at the Recordkeeper website.	Participants seeking more detailed information simply need to contact recordkeeper to obtain it.

2550.404c-1(b)(2)(i)(B)(1)(ii)			
(a) A general description of investment objectives 2550.404c-1(b)(2)(i)(B)(1)(ii)	YES	A written description of each fund manager's investment objective is available on the recordkeeper website.	The disclosure also has the asset allocation, diversification by sector and top holdings.
(b) Risk and return characteristics 2550.404c-1(b)(2)(i)(B)(1)(ii)	YES	A written description of the risk and return characteristics for each investment option is available on the recordkeeper website.	Participants with risk and return questions can contact the recordkeeper or [FIRM] for additional information.
(c) Type and diversification of assets in the portfolio 2550.404c-1(b)(2)(i)(B)(1)(ii)	YES	The top ten holdings as well as major areas of holdings are available for each investment option on the recordkeeper website.	Participants also are provided ticker symbols so they can access additional information from third party sources like Morningstar.
(a) Identification of any designated investment managers NOTE: This does not apply to mutual funds; instead it refers to situations where a plan contracts directly with an investment manager to manage some or all of its investments. 2550.404c-1(b)(2)(i)(B)(1)(iii)	N/A	N/A	N/A
iii. Disclosure of any transaction fees and expenses that affect a participants account balance in connection with purchases and sales, including: NOTE: This information is typically included in enrollment materials and should now include information on trading restrictions or redemption fees imposed by the plan or investment providers. This requirement applies to fees and expenses related to participant-directed transactions (as opposed to, e.g., a fee imposed if the fiduciaries change investments or providers). 2550.404c-1(b)(2)(i)(B)(1)(v)	YES	The annual participant 404(a) (5) notice discloses all fees that impact a participants account. At the time of enrollment materials are provided disclosing fees and the participant has the ability to contact either recordkeeper or [FIRM] to obtain a better understanding.	Participants making selections on the Recordkeeper website also have access to this information in a variety of tabs. Most importantly with respect to redemption fees no purchase or sale of a fund subject to a redemption fee will occur without the participant knowing ahead of time.
(a) Commissions 2550.404c-1(b)(2)(i)(B)(1)(v)	N/A	N/A	There are none taken from participant accounts.
(b) Sales loads 2550.404c-1(b)(2)(i)(B)(1)(v)	N/A	N/A	There are none taken from participant accounts.

(c) Deferred sales charges <i>2550.404c-1(b)(2)(i)(B)(1)(v)</i>	N/A	N/A	There are none taken from participant accounts.
(d) Redemption or exchange fees NOTE: Mutual fund redemption fees are becoming more common. These fees and the affected transactions must be communicated to the participants. <i>2550.404c-1(b)(2)(i)(B)(1)(v)</i>	YES	Recordkeeper will indicate in the system at both the time of purchase and time of sale whether a redemption fee will exist or be incurred should the participant go through with the transaction.	The enrollment materials include one page descriptions of each fund and redemption fees are noted if applicable to the fund.
(e) Wrap fees <i>2550.404c-1(b)(2)(i)(B)(1)(v)</i>	Yes	Participants receive the annual 404(a)(5) fee disclosure notice.	Participants can obtain this information from the 404(c) fiduciary as indicated in the annual notice.
d. Voting and tender rights: NOTE: Review the Plan document to determine if voting and tender rights are passed through to participants. (Typically, this only applies to plans offering employer stock.) If so, be sure items i-iv, below, are satisfied.	N/A	N/A	N/A
i. Notify participants of any restrictions on the exercise of voting, tender and similar rights <i>2550.404c-1(b)(2)(i)(B)(1)(iv)</i>	N/A	N/A	N/A
ii. Notify participants whether voting and tender rights are passed through to them, and provide the plan document provision reference <i>2550.404c-1(b)(2)(i)(B)(1)(ix)</i>	N/A	N/A	N/A
iii. If voting and tender rights are passed through to participants, subsequent to an investment in an investment alternative, the plan must provide participants with any materials provided to the plan relating to the exercise of voting, tender or similar rights which are incidental to the holding in the account of the participant of an ownership interest in such alternative. <i>2550.404c-1(b)(2)(i)(B)(1)(ix)</i>	N/A	N/A	N/A
iv. If voting and tender rights are passed through to participants, provide participants with written procedures established to provide for the	N/A	N/A	N/A

<p>confidentiality of the information related to the exercise of voting and tender rights</p> <p><i>2550.404c-1(b)(2)(i)(B)(1)(vii)</i></p>			
<p>e. The plan must provide the participants with a list of the five categories of information they may obtain <u>upon request</u>.</p> <p><i>2550.404c-1(b)(2)(i)(B)(2)</i></p>	<p>YES</p>	<p>The annual 404(c) notice lists all five categories and numbers each for ease of reference.</p>	<p>Participants are advised they can contact Client for any information listed among the 5 categories.</p>
<p>f. A copy of most recent prospectus received by the plan must be provided to participants <u>immediately prior to or immediately following their initial investment in a fund</u>, if the investment alternative is subject to the Securities Act of 1933 (e.g., mutual fund shares, but <i>not</i> investments offered through group annuity contracts (unless a prospectus is provided to the plan) or common or collective trust funds, because they do not issue prospectuses).</p> <p>NOTE: This requires that the prospectus be delivered to the participants. Making it available or giving participants a link on the website of the plan provider/recordkeeper does not satisfy this requirement under current DOL interpretations (though such interpretations are subject to change in the future). A failure to satisfy this requirement will result in loss of 404(c) protection only for the transactions to which it applies, not the entire plan. This requirement is deemed satisfied if the participant is furnished with a copy of the most recent prospectus immediately prior to the participant's investment.</p> <p><i>2550.404c-1(b)(2)(i)(B)(1)(viii)</i></p>	<p>YES</p>	<p>Recordkeeper does provide access to all prospectus online for any participant wishing to review it prior to their initial investment in a fund (or subsequent for that matter). Participants can request copies of prospectus when enrolling.</p>	<p>Client is compliant with Section 404(c) at the time a participant enrolls. Any subsequent investments into new funds for the first time by a participant may remove the 404(c) protection for that new investment. Section 404(c) is a facts and circumstance test. If your Recordkeeper delivers subsequent prospectus in an acceptable manner 404(c) protection will continue.</p>

III. INFORMATION THAT MUST BE AVAILABLE UPON REQUEST	IS THIS INFORMATION AVAILABLE TO PARTICIPANTS UPON REQUEST? (YES OR NO)	HOW IS THIS REQUIREMENT SATISFIED?	COMMENTS
<p>a. The plan must identify the fiduciary (or the person designated to act on its behalf) to provide requested information (described in items i-v, below)</p> <p>NOTE: Such information must be based on the latest information available to the plan. Most plans automatically provide much or all of this information to participants. Nonetheless, it still must be provided on request.</p> <p><i>2550.404c-1(b)(2)(i)(B)(2)</i></p>	YES	Client is identified in the annual 404(c) notice as the plan's 404(c) fiduciary.	Client has access to the most up to date information via the Recordkeeper plan sponsor website.
<p>i. A description of the annual operating expenses of each investment alternative (e.g. investment management fees, administrative fees, and transaction costs) which reduce the rate of return to participants and the aggregate amount of such expenses expressed as a percentage of average net assets of the designated investment alternative.</p> <p><i>2550.404c-1(b)(2)(i)(B)(2)(i)</i></p>	YES	The annual 404(c) notice to participants states that they can contact Client for this information or access it via the Recordkeeper website.	This information is available online in both the participant and plan sponsor websites at Recordkeeper.
<p>ii. Copies of any prospectuses, financial statements and reports, and any other materials relating to the investment alternatives available under the plan, to the extent such information is provided to the plan.</p> <p><i>2550.404c-1(b)(2)(i)(B)(2)(ii)</i></p>	YES	The annual 404(c) notice to participants states that they can contact Client for this information or access it via the Recordkeeper website.	This information is available online in both the participant and plan sponsor websites at Recordkeeper.
<p>iii. A list of the assets comprising the portfolio of each designated investment alternative which constitute plan assets.</p> <p><i>2550.404c-1(b)(2)(i)(B)(2)(iii)</i></p>	YES	The annual 404(c) notice to participants states that they can contact Client for this information or access it via the Recordkeeper website.	This information is available online in both the participant and plan sponsor websites at Recordkeeper.
<p>(a) The value of each such asset identified in item iii. above (or the proportion of</p>	YES	The annual 404(c) notice to participants states that they can	This information is available online in both the participant and plan sponsor

<p>the investment alternative which it comprises).</p> <p>2550.404c-1(b)(2)(i)(B)(2)(iii)</p>		<p>contact Client for this information or access it via the Recordkeeper website.</p>	<p>websites at Recordkeeper.</p>
<p>(b) With respect to each asset identified in item iii. above which is a fixed rate investment contract issued by a bank, savings and loan association or insurance company, the name of the issuer of the contract, the term of the contract and the rate of return on the contract.</p> <p>2550.404c-1(b)(2)(i)(B)(2)(iii)</p>	<p>YES</p>	<p>The annual 404(c) notice to participants states that they can contact Client for this information or access it via the Recordkeeper website.</p>	<p>This information is available online in both the participant and plan sponsor websites at Recordkeeper.</p>
<p>iv. Information concerning the value of shares or units in designated investment alternatives available to participants under the plan and the past and current investment performance of designated investment alternatives, determined, net of expenses, on a reasonable and consistent basis.</p> <p>2550.404c-1(b)(2)(i)(1B)(2)(iv)</p>	<p>YES</p>	<p>The annual 404(c) notice to participants states that they can contact Client for this information or access it via the Recordkeeper website.</p>	<p>This information is available online in both the participant and sponsor websites at Recordkeeper.</p>
<p>v. Information concerning the value of shares or units in designated investment alternatives held in the account of the participant.</p> <p>2550.404c-1(b)(2)(i)(B)(2)(v)</p>	<p>YES</p>	<p>Participants can access this information online when logging into their Recordkeeper account. In addition, they can request the information from Client the 404(c) fiduciary.</p>	<p>Recordkeeper has a daily valuation platform and as such participants can log in at any time and find up to date account balance information including unit values.</p>

IV. EMPLOYER SECURITIES	IS THIS REQUIREMENT SATISFIED? (YES OR NO)	HOW IS THIS REQUIREMENT SATISFIED?	COMMENTS
<p>If a plan provides for employer securities as an investment alternative available under the plan, the following eight requirements must be met.</p>	<p>NO</p>	<p>N/A</p>	<p>Client does not offer company stock within the plan therefore none of the 8 requirements are addressed.</p>

V. PLAN MAY IMPOSE REASONABLE RESTRICTIONS	DOES THE PLAN IMPOSE THIS RESTRICTION? (YES OR NO)	COMMENTS
<p>a. A plan may charge participants' accounts for the reasonable expenses of carrying out investment instructions. If the plan imposes such charges, the plan must establish procedures to periodically inform the participants of actual expenses incurred with respect to their respective individual accounts.</p> <p><i>2550.404c-1(b)(2)(ii)(A)</i></p>	NO	The plan does not currently impose costs for carrying out written investment instructions. However, the plan reserves the right to do so if said instructions become burdensome. In the event this occurs than procedures will be established.
<p>b. A plan may permit a fiduciary to decline to implement investment instructions by participants which would result in a prohibited transaction described in ERISA section 406 or section 4975 of the Internal Revenue Code or would generate unrelated business taxable income for the plan.</p> <p><i>2550.404c-1(b)(2)(ii)(B)(i-ii)</i></p>	YES	No prohibited transactions are allowed. To date no one has requested a prohibited transaction. In the event a participant does all members of the Client investment committee will be notified.
<p>c. A plan may impose reasonable restrictions on the frequency with which participants may give investment instructions, so long as the requirements listed in the next two sections are met.</p> <p><i>2550.404c-1(b)(2)(ii)(C)</i></p>	YES	Recordkeeper does not allow for day trading. Participants do have a limit on the number of trades that can be made each month. This may be at the recordkeeper's discretion depending upon the circumstances.
<p>i. The first requirement to satisfy the "frequency of instructions" requirement is that for each investment alternative made available by the plan, participants are permitted to give investment instructions with a frequency which is appropriate in light of the market volatility to which the investment alternative may reasonably be expected to be subject.</p> <p><i>2550.404c-1(b)(2)(ii)(C)(1)</i></p>	YES	Should Recordkeeper request additional trading restrictions for a participant they would have the ability to make changes that is appropriate based upon market volatility. The goal would be solely to eliminate day trading and not to place that participant at a disadvantage which would impact their ability to adapt to market volatility as a long term investor.
<p>ii. The second requirement to satisfy the</p>	YES	Should Recordkeeper request additional trading restrictions for

<p>“frequency of instructions” requirement is that for at least three of the investment alternatives satisfying the “broad range” requirement described below, participants are permitted to give investment instructions no less frequently than once within any three month period.</p> <p>2550.404c-1(b)(2)(ii)(C)(2)</p>		<p>a participant they would be able to trade even less frequently than is currently allowed.</p>
<p>d. In order for Participants to have independent control over their accounts, Plan fiduciaries may <u>not</u>:</p> <ul style="list-style-type: none"> i. Improperly influence participants in making their investment choices ii. Conceal material non-public facts regarding an investment option iii. Accept instructions from a participant knowing him or her to be legally incompetent <p>2550.404c-1(c)(2)</p>	<p>YES</p>	<p>Client provides neither advice nor recommendations to participants regarding investment instructions. All participants are directed to contact Recordkeeper or [FIRM] with questions or concerns regarding their investment options. All investment option information is available on the Recordkeeper website and from the 404(c) fiduciary (Client). Nothing is concealed from participants. No investment instructions will be accepted from any participant believed to be incompetent. To date this has not been an issue.</p>

NOTE: ERISA Section 404(c) does not relieve the fiduciaries of responsibility for the prudent selection and monitoring of the investment options offered under the plan. Further, to the extent a participant decides not to exercise control over his or her account, the fiduciaries remain responsible for prudently allocating the assets in that participant’s account. Thus, the fiduciaries must prudently select and monitor the appropriate “default account” for the participants.

In addition to the items mentioned above, as part of our 404(c) compliance review, you should review a copy of your Form 5500 for the plan. In particular, review question 8a, because it describes the features of the Plan. One of the character codes for question 8a is character code 2F which indicates that a plan, or any part of a plan, intends to comply with the requirements of the regulation under section 404(c). Also note 2T which indicates you have selected a Qualified Default Investment Alternative for the plan.