

CONFIDENTIAL

Vested in Your Successful Retirement

401Investments, llc (aka 401Invest) – A Retirement Plan
Advisory Firm

January 2012

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Why 401Invest?

QUICK FACTS

No. of Participants:	14,000 (approx.)
No. of Plans:	70+
AUM:	\$300M+
Headquarters:	2924 Deerwood Dr. Waco, TX 76710 o. +1.254.723.7658 www.401Invest.com [under construction]
Satellite Offices:	New York, NY - Raleigh, NC - San Antonio and Austin, TX
Retirement Plan Design Types:	Defined Contribution, Defined Benefit, Cash Balance, PEOs & Non-Qualified [all types]
Services Offered:	Investment Analytics & Due Diligence Plan Design Consulting Fiduciary Best Practices Review & Implementation Employee Communication & Education Plan Benchmarking & Vendor Qualification
Unique Strengths:	Expert-level Understanding of Retirement Plan Regulations, Investment Criteria & Plan Sponsor Obligations

A SINGULAR FOCUS – RETIREMENT PLAN OPERATIONAL AND INVESTMENT SUCCESS

401Invest is a professional, financial advisory firm committed to delivering excellence in retirement planning. We are intentional about our maniacal focus on retirement. It is one of the most important financial decisions and, given the power of time and compounding, the most important to plan for early and well.

Increasingly Relevant - The population is ageing and expects to live longer than ever. Yet...

- a global survey of over 17,000 found that 41% felt they were underprepared for retirement, while 64% admitted they had concerns about their financial security in retirement¹.
- the US population over the age 65 will increase from 40M to 71M from 2010 to 2030, respectively².
- 1 in 5 respondents did not know what their primary source of income would be in retirement

401Invest is passionate about the helping people prepare well for a long, happy retirement.

Planning and Investing Well Makes a Huge

Difference - The financial gain that is experienced from making a concerted effort to save for retirement is truly phenomenal when compared to the absence of a plan. Adding professional financial advice to this plan increases the gains even more. In fact, a recent study looked at the value of amassed financial assets in various scenarios. Here is what it found...

¹ HSBC – The Future of Retirement 2011

² US Administration on Aging

- ‘planners’ amass nearly 2.5x more in their retirement plans than do ‘non-planners’³
- when these ‘planners’ also sought and followed professional financial advice, they amassed 3.5x more in their plans than ‘non-planners’⁴

401Invest has the expertise, tools and dedication to excellence required to team with Plan Sponsors and their Participants to build a strong plan for retirement and maximize the *planning and advice premium*.

Business Owners/Plan Sponsors Need a Retirement

Plan Expert - Most retirement plans today are receiving direction from financial advisors who may be good financial planners, but are not ERISA experts who are willing to also be fiduciaries. The numbers speak for themselves...

- over 150,000 advisors have at least one corporate retirement plan under management
- less than 20,000 have more than five plans, while
- less than 4,000 have more than 25 plans or over \$100 million.⁵

These numbers are instructive; revealing that the community of retirement plan savvy financial advisors is small. Alarming, this is true even though the regulations governing the actions and responsibilities of Plan Sponsors and their retirement plans are increasingly tougher to navigate. This contention is most recently evidenced by The Department of Labor’s February 2, 2012 release of final regulations under ERISA § 408(b)(2) and DOL Reg. § 2550.408b-2.

401Invest assumes both an ethical and a legal obligation to design the plan and advise the Plan Sponsor in accordance with the latest governing legislation. We pledge to stay

ahead of the knowledge curve, ensuring that the sponsor may maintain a high degree of confidence that their retirement plan meets all legal requirements.

BUSINESS PHILOSOPHIES

We understand that while business owners take their responsibility as the Plan Administrator seriously, the realities of building and running a business are never ending. 401Invest takes pride in serving the business owner as their vested partner in operating a compliant, performing retirement plan.

One size does not fit all; creativity tempered by the governing law is an imperative. 401Invest works closely with employers to build customized, creative retirement plan investment solutions that meet their individual business and retirement planning objectives, while placing significant emphasis on educating employees and plan participants.

It is our responsibility to maintain a rigorous investment and industry research regimen so that our clients can boldly rely on us to maximize the *planning and advice premiums* realized when measured against stated business and retirement objectives. The following are the core business principles that we deploy to deliver on this goal.

Core Business Principles

Client’s Interests First – Deliver more than expected, always acting in the best interest of the Retirement Plan, its Participants and its Sponsor.

Unwavering Professionalism – Absolute integrity, backed by an unrelenting pursuit of pertinent industry knowledge.

Sound Investment Policy – Strict adherence to specific investment parameters and calibrated asset class exposures to minimize style drift and maximize returns for a desired risk profile.

³ HSBC – The Future of Retirement 2011

⁴ HSBC – The Future of Retirement 2011

⁵ The 401k Exchange and Free ERISA Data

Knowledge is a Premium – Each team member must maintain an applied knowledge of industry best practices within their specific domain, resulting in continual personal, process and service delivery improvements.

Full Disclosure – All fees are fair, easily understood, fully disclosed and for value.

Exceptional Client Experience – Warm, candid communication that uses time wisely, builds relationships and inspires confidence.

Listen First – Understand the client’s needs and adopt them as our own before acting or speaking.

Work Ethic – There is no substitute for time spent working hard for our clients.

Mission Statement

To craft creative retirement investment solutions using industry leading best-practices that meet the employers business objectives and deliver on the plan participants retirement goals.

401Invest Services

Our service delivery model divides our work product into two primary categories: (i) Retirement Solutions and (ii) Investment Management.

Retirement Solutions

Simplify, Perfect, Manage

In an attempt to improve and safeguard the private retirement plan industry, Congress has passed an overwhelming volume of legislation that Plan Sponsors and other plan fiduciaries must follow. 401Invest is

exceptionally qualified to lead its clients through design, implementation, operational and re-design phases of the retirement plan life cycle.

PLAN DESIGN SERVICES

Pragmatic Creativity

Initial Strategic Design – Whether 401Invest is designing a new plan or taking over an existing plan, our approach is similar. We listen to and understand the Plan Sponsor’s goals and complete a comprehensive strategic design assessment. Even seemingly small design elements can have big impacts on the performance of the design relative to plan.

Meticulous plan design results in more effective allocation of employer dollars, enhanced benefits for Highly Compensated Employees, and greater plan participation rates by employees. While legislation dictates uniformity for certain plan features, recent changes in law are aimed at increasing employee participation and restoring some of the incentives and benefits previously lost by Plan Sponsors.

Plan Analytics – Given the pace of change in the retirement regulatory environment, it is critical that the legal, compliance and design aspects of a plan are reviewed at least annually. It is no less important to have an expert advisory firm who understands the operational nuances of plan design on your team who is also legally responsible. Some of these operational issues include...

- effective eligibility requirements
- contribution features, and allocation options
- Safe Harbor plan design features
- automatic enrollment
- digital transmittal of payroll, loan and distribution transactions
- optimal frequency and content of employee communication
- education and advice on ERISA §404(c)

investment guidelines and requirements

Effective plan design isn't a one-time activity. 401Invest proactively tests the effectiveness of recent design changes to identify whether further adjustments may be warranted to obtain known plan objectives.

Put simply, 401Invest navigates its clients through the regulatory labyrinth.

PLAN BENCHMARKING & VENDOR SEARCHES

Excellence, Reasonably Priced

The retirement plan vendor review process can be time-consuming, confusing, and frustrating. All too often, standard vendor-provided proposals do not include enough information to determine the adequacy of the administrative, recordkeeping, compliance, and employee communication services being offered. Alternatively, the data is so complex that it is difficult to contrast and compare. Furthermore, total plan costs are usually difficult if not approaching impossible to determine.

401Invest is a partner in the plan provider review process. 401Invest employs the RPAG Plan Provider Analysis and Benchmarking System, utilizing a comprehensive database and proprietary methodology that reflects decades of experience analyzing plan provider product and service offerings. This enables plan sponsors to eliminate the confusion and frustration of selecting a 401(k) provider, and dramatically reduces the amount of time plan sponsors must allocate to the evaluation of retirement plan providers.

A fundamental obligation of plan fiduciaries is to understand the fees being paid by the plan and the plan participants—and to ensure those fees are reasonable, given the services received. 401Invest will analyze your plan's fees and services, benchmark them to similar plans of similar size across multiple vendors, and help you understand the results.

EMPLOYEE COMMUNICATION & EDUCATION

401Invest Stands at the Top

A successful communication program is critical to the success of a company's retirement plan. Enrollment and education specialists working at 401Invest understand that the development of an effective communication program varies greatly from business to business and across industries as well as employee demographics. 401Invest reviews a variety of options with the retirement plan committee and crafts the best program for their particular employee population.

Consistent implementation of the plan increases employee understanding and participation, while raising the profile and appreciation of the benefit.

401Invest is one of the few retirement plan advisory firms that is passionate about spending time educating employees.

401Invest strategic objectives include:

- Describing with clarity the benefit of the retirement plan to employee population
- Maximizing employee participation and increases their contributions
- Aiding employees in developing appropriate asset allocation strategies
- Delivering ongoing education about retirement planning

Key action components of the communication strategy include:

- Pre-enrollment memos, posters and announcements
- On-site meetings conducted by securities-registered representatives
- On-site group enrollment and investment education meetings

- On-site one-on-one educational meetings
- Multi-lingual meetings, material and representatives
- Video conferencing "Meet Me" meetings for remote locations
- Access to online investment and financial planning
- Customer service representatives and e-mail contacts for plan participants

PLAN SPONSOR SUPPORT

Dedicated Trusted Support - A successful retirement plan will reinforce an employer's commitment to its employees and help it attract new talent. As the client's plan's advisor, 401Invest provides advocacy, assistance and support. Many firms place value primarily, if not, entirely on managing the investments and are uninterested in providing additional value.

401Invest knows there is much more to a successful retirement plan than managing the investments.

Our firm provides a full range of services to support and expand the benefits of the plan for our clients and their participants.

Proactive Plan Reviews - We help evaluate the plan's performance and whether it is doing the best possible job helping participants prepare themselves financially for retirement, while meeting the needs of the plan sponsor.

Industry and Provider Monitoring - We communicate changes that may affect the plan and the employees, and keep our clients up-to-date on the latest trends and developments to ensure they are offering a competitive plan. We offer helpful industry-specific reports so our clients can compare their plan structure to those of others in the same industry.

Full fee transparency - As part of our commitment to full fee transparency, we provide a Retirement Plan Servicing Agreement to all clients. Not only does this document disclose exactly how we are compensated on each plan, it also outlines the full range of services we provide.

Service, Support and Problem Resolution – 401Invest is a valuable helping hand, a source of support and information whenever our clients or their participants need assistance. Our expert staff are only a phone call away.

Investment Management

Disciplined, Dynamic

INVESTMENT ANALYTICS

At the core of our firms retirement solutions expertise is the ability to deploy a disciplined, model-driven, independent investment analysis and selection process. Designing a stock portfolio, choosing a mutual fund or selecting a money manager is conducted with the same prudent, research and data-heavy, modern portfolio theory led processes.

FIDUCIARY BEST PRACTICES

401Invest assists Plan Sponsors/Administrators with the management of their investment responsibilities. We provide our clients the tools and road map to establish prudent investment processes, to follow them in practice, and to document their adherence to those standards - documentation is critical.

FIDUCIARY OVERSIGHT

Business owners/Plan Sponsors wear many professional hats. And while they may spend the least amount of their working life on retirement plan issues, their fiduciary role for the plan poses a significant amount of risk. Inundated with primary job functions, finance and

human resources executives lament their lack of time and tools to fulfill their fiduciary obligations with confidence.

This uncertainty heightens their concern regarding personal liability as a fiduciary.

401Invest offers plan sponsors an Investment Oversight Program that provides certainty and a blue print for plan management. It uses ERISA compliant, independent guidance and monitoring.

ESTABLISHING FIDUCIARY BEST PRACTICES

401Invest knows what the Department of Labor and ERISA regulations require. We implement and document processes in all areas of your specific plan, moderating the possibility for non-compliance.

Fiduciary Best Practices include the establishment of prudent procedures to manage the plan, designing the investment structure of the plan, selecting investment options, and monitoring those investment options on a regular basis. Assisting our clients in creating and maintaining a Chartered Committee Process to document their fiduciary decisions is an important service we provide.

401Invest assists our clients in reducing their fiduciary liability in the following ways:

- Custom Fee Disclosure
- 404(c) Policy Statement Notice
- Fiduciary File Checklist
- General ERISA/DOL Compliance Checklists
- 404(a) Monitoring
- Investment Policy Statement Creation/Maintenance
- Plan Design Reviews

COMMITTEE CHARTER AND FIDUCIARY ACKNOWLEDGEMENT

Fiduciary functions are managed effectively through a written fiduciary acknowledgement for our investment and advisory services.

INVESTMENT POLICY STATEMENT

The Investment Policy Statement (IPS) provides the framework for the plan's investment selection and monitoring process. Our firm assists with the investment aspects of an IPS through quarterly monitoring using our RPAG system analysis

FIDUCIARY RECORD KEEPING

401Invest maintains Fiduciary Kit Documentation for our client, which serves as secondary storage and retrieval for audit and fiduciary documentation relating to the plan. We encourage our clients to maintain a similar Fiduciary Kit on premises.

CONTINUITY OF CONDUCT

Our role can ensure a high level of continuity in the event of Investment committee turnover. Our Fiduciary Oversight preserves the integrity of past decisions and provides effective succession for future fiduciary guidance.