



SLAVIC
401K



401(k) Cost Comparison Proposal

April 22, 2019

Specially Prepared for

AdvanStaff Demo

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Retirement Plan Overview

The Complete, Cost-effective, Turnkey Retirement Solution

Multiple Employer Plans relieve small businesses of the burden of administering compliant, cost-effective retirement plans. When you are busy running your own business, you may not be able to devote time and energy to the complexities of 401(k) plan design, compliance, and administration. With the multiple employer plan, you can have assurance that your plan is being properly administered. As the plan sponsor, we bear the fiduciary liability of the plan, relieving you of this burden. Furthermore, we bear the cost of the IRS plan audit, which can cost companies more than \$8,000 every year. We also ensure that compliance needs, such as discrimination testing, employee notifications, disclosure notices, etc., are taken care of in a timely, compliant manner. As an adopter of the plan, you have the benefit of being a part of a much larger plan, taking advantage of the lower cost and higher service offered by this type of plan.

Multiple Employer Plan Advantage

Our multiple employer plan utilizes low-cost, high-quality funds, including many index funds and true no-load mutual funds. Contributing to your plan is easy because we process the contributions through payroll. And help is always just a phone call away, with customer service representatives and investment advisor representatives available for help at no additional charge. In addition to these services, our 401(k) service is the only one in the industry that sends a personalized Friday Email Express to each investor, giving a market commentary and a snapshot of plan performance.

Multiple Employer Plans have the advantages to make your retirement plan work:

- Low-cost, high-performance investments
- Investment platform – Highly rated funds
- Handoff the liability to the plan sponsor
- Handoff compliance issues to the plan sponsor
- Offload audit costs to the sponsor – one audit covers the entire plan
- Plan design experts assist in customizing the plan to meet your specific needs
- Investment advice available to all participants through the 800 number
- Access to your plan's performance at any time, on the website

All this combines to give you a comprehensive plan designed to bring value to you and your employees for years to come.

Fiduciary Roles

With any 401(k) plan, there are three fiduciary responsibilities that are held by different entities. The role of fiduciary is very important to the plan, as the fiduciary is the one that helps ensure a compliant plan and creates the policies which define the plan operation.

The first type of fiduciary responsibility is known as the 3(16) Fiduciary

This role is typically held by the plan sponsor whether it is a Professional Employer Organization, a Service Bureau, or the company itself. The responsibilities of the 3(16) include determining eligibility, retaining the necessary professionals to administrate the plan, maintain the plan records, filing the Form 5500 for the plan, approving changes to investments, and much more. Often the plan sponsor will hire outside firms to perform these tasks to make sure there is less risk for error.

The second fiduciary role is the 3(21) fiduciary.

This is usually fulfilled by a licensed investment advisory firm. 3(21) fiduciaries are responsible for four primary actions:

- 1 Recommending the investment lineup to plan sponsors (who are the 3(16) fiduciary)
- 2 Monitoring the investment lineup and recommending changes to the plan sponsor when necessary or appropriate
- 3 Providing 401k investors with education and advice
- 4 Providing the plan sponsor with advice concerning the fiduciary process, which also includes the investment policy statement

The advisor serving as a 3(21) fiduciary does not have discretion to make changes to the investment offerings. Rather, the 3(21) fiduciary makes recommendations to the 3(16) fiduciary, who will either approve or deny the recommended changes.

Finally, the third fiduciary role that is often found in 401(k) plans is a 3(38) fiduciary.

This role is similar to the 3(21) fiduciary in that it requires expertise and licensing in recommending mutual funds. Those serving in this role must be a Registered Investment Advisor, a bank or an insurance company. The party serving in this role must acknowledge the role and responsibility in writing, and the management agreement must also be in writing. The reason for the more stringent requirements is because the 3(38) fiduciary has the legal discretion to make changes to the investments without the prior approval of the plan sponsor. In the case of this plan, Slavic401k serves as the 3(38) fiduciary providing oversight to the individual portfolios they manage. The plan sponsor still maintains the responsibility to prudently select and appoint the 3(38) fiduciary.

These are the three roles that provide oversight and management of your plan. For a Multiple Employer plan, your PEO payroll company accepts the role as the 3(16) fiduciary. Slavic401k typically takes on the role of 3(21) fiduciary and 3(38) fiduciary. If you have questions pertaining to this and how it affects your company, please call Slavic401k at 1-800-356-3009 and speak to an investment advisor representative.

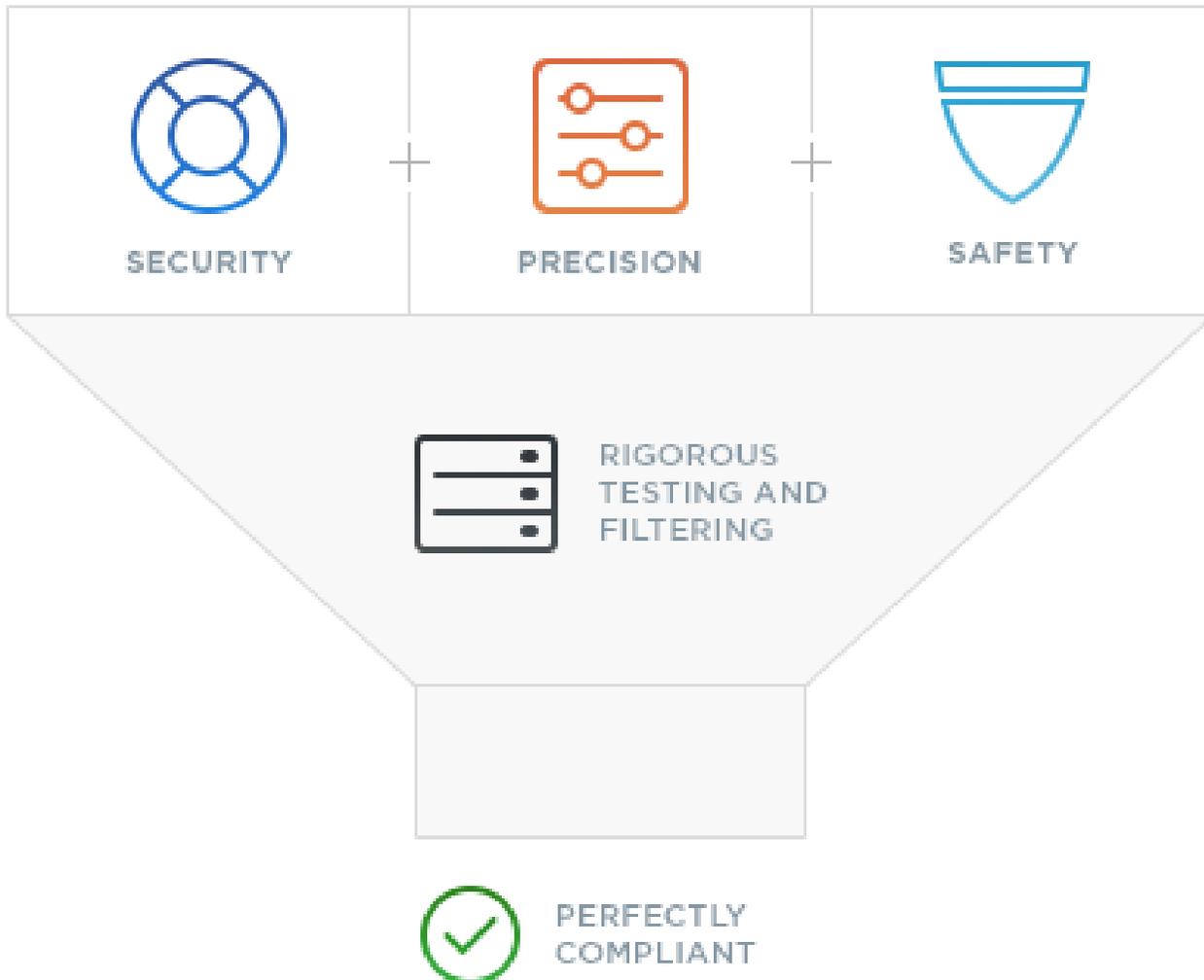
Plan Design and Implementation

Customize Your Plan

We will schedule a call to perform an analysis of your plan. Whether its enrolling employees, setting up a company match or finding solutions for discrimination testing, we will work closely with your company to define your goals and determine the best solution for a successful 401(k) plan.

Merging Your Old Plan

Our mergers department will handle the paperwork of transferring your old plan to your new plan with us. They will also work closely with your old administrator to work out the details of the plan transfer. These duties include providing you with the mandatory notices to give to employees regarding the plan transfer.



Discrimination Testing

One of the most challenging components of a 401(k) plan is the discrimination testing. Testing is required by the IRS in order to prevent owners and key employees from using the plan to their own advantage and preventing regular employees from receiving similar benefits. There are a few specific types of tests that are performed in order to make sure that the funds in the plan and the participation in the plan are not solely from the owners and other high-wage employees.

The first test is called the Top Heavy test.

This test is performed to make sure that key employees (owners, relatives of owners that are employed at the company, and certain high-wage employees) do not own more than 60% of the assets in the plan. Should a plan fail the test and be deemed top heavy, the penalty is a contribution to non-key employees up to 3% of the non-key employee's compensation. This can obviously be a costly penalty.

The second test is the Average Deferral Percentage test or ADP test.

This test is a bit more complicated and takes into account several different factors. Highly compensated employees (HCEs) can only contribute a certain percentage more than the average deferral percentage on non-highly compensated employees (NHCEs). Should this test fail and the plan deemed to be out of compliance, the problem can be solved by making a contribution to the non-highly compensated employees, or the highly compensated employees can be issued refunds of their contribution. The average deferral percentage for NHCEs includes those employees that are not contributing. In general, plans with poor employee participation are likely to fail this test.

The Average Contribution Percentage (ACP) test is very similar to the ADP test and applies to company matching contributions.

All of these tests are required to be performed at the worksite level. The sponsor of the Multiple Employer Plan you have adopted is not responsible due to IRS and DOL regulations. If your plan is failing any of these tests, or likely to fail, you will be required to make the required remedy. You will have a few options, ranging from a profit sharing contribution, reduction in contributions by the HCEs and key employees, or implementation of a safe harbor plan. A plan administrator from Slavic will help you solve your testing problems to meet the needs of the employees as well as the needs of the company. To keep an eye on your plan's testing, sign up for Sponsor Express. This service provides you a monthly email snapshot of your plan's testing status as well as other plan statistics.

A Safe Harbor plan design can be elected to pass these tests.

Safe Harbor Plans

The IRS requires extensive discrimination testing of 401(k) retirement plans. The purpose of this testing is to ensure that the plan is not benefitting the owners and key employees more than the others, and that the regular employees have access to the same benefits as the owners and key employees. There are three primary tests – Average Deferral Percentage test, Average Contribution Percentage test, and the Top Heavy test. Should any of these tests fail, the plan will be deemed non-compliant, and penalties will be enforced in the form of mandatory contributions to employees or refunds to owners and key employees.

In order to avoid penalties, many owners and key employees are required to contribute at much lower rates than they would like. Since the testing limits the contribution percentages and total asset percentages with respect to key employees and owners, the IRS allows Safe Harbor to be implemented in order to allow those employees to maximize the 401(k) to its greatest extent.

Safe Harbor plans allow owners, highly compensated employees, and key employees to contribute up to the annual maximum amount allowed by the IRS, as well as take advantage of matches and profit sharing arrangements. This is allowed by making either a matching contribution or a profit sharing contribution.

A Safe Harbor match is a dollar-for-dollar match up to a certain percent (generally 4%), which is 100% vested immediately. If your company has poor participation in the plan, this is generally the most cost-effective Safe Harbor plan, since not every employee will receive a contribution, rather only the employees that choose to invest in the plan.

The second Safe Harbor scenario is a profit sharing arrangement at 3%. In this case, a contribution is made to all eligible employees, regardless of participation. Like the match, the profit share is immediately 100% vested. This scenario is more cost-effective if there is very high participation in the plan, so the company will avoid paying an additional percentage point to the employees.

If you are interested in exploring Safe Harbor, please call a Slavic401k representative at 1-800-356-3009 to discuss your options. If you would like, Slavic401k can do a simulation to see which type of Safe Harbor would work best for your company.

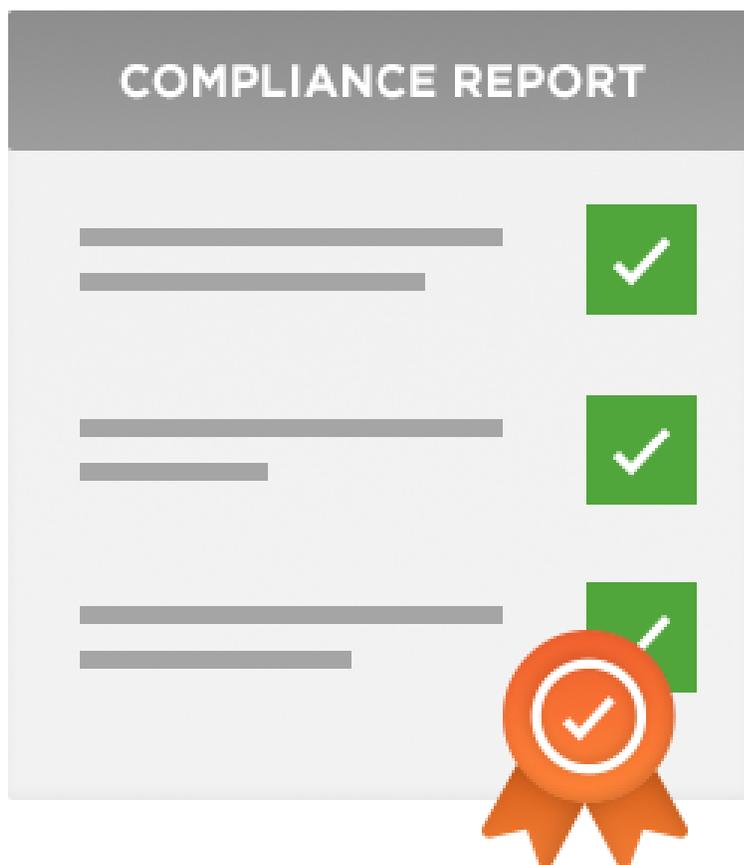
Compliance and Recordkeeping

Taking the Regulatory Burden Off Your Shoulders

Part of our service is offering our expertise in navigating the complexities of compliance and recordkeeping.

We make it easy for you by performing all the necessary tasks required by the various regulatory agencies:

- Recordkeeping
- Processing loans and distributions
- Processing contributions
- Maintaining fully functional website
- Census data updates
- Form 5500 preparation
- Compliance testing
- Participant notifications
- Document fulfillment



Investor Services

We're there for your employees from day 1 until they retire.

We know that planning for retirement isn't always a priority for employees. We understand that everybody gets caught up in the everyday job of work and family, and taking time to plan for retirement doesn't seem possible. We're here to make it as easy as possible and demonstrate the need for individuals to take responsibility for their future.

Investor Enrollment Kits

We've designed kits that help average investors understand how the 401(k) works, the value of investing, and how much is needed to have enough for retirement.

This contains everything you need to get started planning your future:

- Fundamentals of the 401k
- Fundamentals of investing
- Details specific to your individual plan
- Reports on fund performances



Enrollment Presentation

Enrolling is easy. Simply go to the website and follow the prompts.

Along the way, you will:

- Receive education
- Learn more about the 401k
- Learn how to use the website

Special Enrollment Services

We'll have one of our registered investment advisor representatives conduct a webinar for your employees and be available to answer any questions you might have. We'll also send you the personalized presentation for your own reference and use later.

Investor Services

Diverse Investment Strategies

In addition to the traditional pre-tax 401(k), you will be able to invest in a post-tax Roth 401(k). Roth 401(k) allows the taxes to be paid before investing, resulting in tax-free growth of the plan, as long as the account is in place for at least five years.

This benefits:

- Investors with a long retirement horizon
- Investors who believe that their tax rate will be higher in retirement
- Flexible estate planning



Quarterly Statements

The key to making wise investment decisions is having accurate information delivered in an easy-to-understand manner.

Your quarterly statement provides the following information broken down into simple explanations of:

- Account growth
- Asset allocation
- Investment performance
- Contributions
- Fees

Email Express

Every investor receives an email on Friday afternoon. In this email, you will see your balance from the previous week compared to the current week's balance. You will also receive a brief market commentary from the owner and president of Slavic401k. Email Express helps you stay current on the market activity and make adjustments to your account.



Sponsor Express

Every adopting employer will receive a monthly email detailing the performance of the entire plan. This includes the plan discrimination testing results, which alerts you to the need to make changes to the plan before the end of the year. It also includes plan assets, participating employees, eligible employees, and the top five funds in the plan.



Investor Services

Online Access

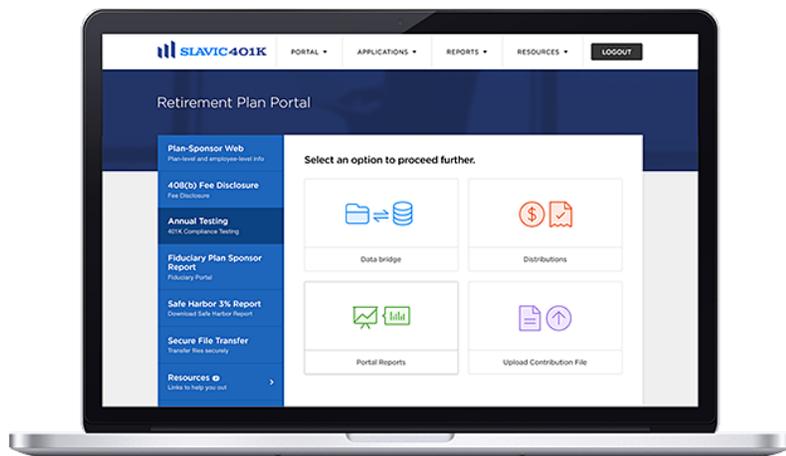
Every investor, as well as adopting employers, will receive access to the website. The website is the hub for investors to manage their accounts and owners to monitor their plan.

On the website, each investor can:

- View investment returns
- Access investment information and
- Request loans and distributions
- Change investment allocations
- Change deferral rates

Employers will be able to:

- View testing results
- View plan participation
- View plan assets
- View the assets by fund
- Track plan performance



Telephone Access

If you prefer to talk to an actual person, you can accomplish the same things over the phone as you can online. We believe in genuine customer service, so we have real people on the phone from 9:00 am to 8:00 pm Eastern Time. We don't have an interactive phone service that connects you to some computer server.

If you want to talk to a person, you get to talk to a real-life customer service representative. If you're seeking investment advice, you can talk to one of our investment advisor representatives. You can reach us via our toll-free 800 number.

Fund Lineup

for the Period Ending 3/31/2019

Fund Name	YTD	1 Year	3 Year	5 Year	Net Expense Ratio*
American Funds EuroPacific Growth R6	13.20 %	-4.66 %	9.33 %	4.27 %	0.49 %
DFA Emerging Markets Core Equity I	8.61 %	-9.48 %	9.60 %	3.44 %	0.52 %
Fidelity US Bond Index	2.96 %	4.55 %	1.96 %	2.72 %	0.02 %
Franklin Natural Resources ADV	16.91 %	-6.22 %	4.06 %	-7.65 %	0.70 %
Franklin Utilities R6	12.62 %	20.54 %	9.73 %	10.22 %	0.50 %
iShares MSCI EAFE International Index K	10.12 %	-3.81 %	7.48 %	2.22 %	0.06 %
iShares Total US Stock Market Index K	14.03 %	8.70 %	13.37 %	10.27 %	0.03 %
Nationwide Ziegler NYSE Arca Tech 100 Index	17.31 %	12.29 %	20.78 %	13.26 %	0.45 %
Oppenheimer Gold & Special Minerals I	9.15 %	3.75 %	7.15 %	0.55 %	0.75 %
Prudential High Yield Z	7.36 %	6.49 %	8.41 %	5.06 %	0.36 %
SSgA SP 500 Index	13.62 %	9.32 %	13.31 %	10.73 %	0.07 %
T. Rowe Price Dividend Growth	13.00 %	12.63 %	13.36 %	11.03 %	0.53 %
T. Rowe Price New Asia	14.59 %	-3.59 %	11.78 %	6.85 %	0.82 %
T. Rowe Price New Era	12.63 %	-1.27 %	6.34 %	-1.07 %	0.58 %
Vanguard Energy Admiral	15.17 %	-2.15 %	6.79 %	-2.89 %	0.30 %
Vanguard Federal Money Market	0.57 %	2.03 %	1.13 %	0.70 %	0.11 %
Vanguard Inflation Protected Securities Admiral	3.19 %	2.67 %	1.57 %	1.87 %	0.10 %
Vanguard Information Technology Index Fund Adm	20.64 %	18.79 %	23.84 %	18.53 %	0.10 %
Vanguard Intermediate-Term Bond Index Admiral	3.83 %	5.74 %	2.08 %	3.18 %	0.07 %
Vanguard Mid Cap Index Admiral	16.77 %	5.98 %	11.59 %	8.85 %	0.05 %
Vanguard Real Estate Index Admiral	17.28 %	20.04 %	5.72 %	8.79 %	0.12 %
Vanguard Short-Term Bond Index Admiral	1.64 %	3.54 %	1.35 %	1.49 %	0.07 %
Vanguard Short-Term Fed Admiral	1.35 %	3.08 %	1.15 %	1.30 %	0.10 %
Vanguard Short-Term Infl Prot Index Admiral	1.71 %	2.03 %	1.22 %	0.75 %	0.06 %
Vanguard Small Cap Growth Index Admiral	19.50 %	10.40 %	15.77 %	8.72 %	0.07 %
Vanguard Small Cap Index Admiral	16.18 %	5.58 %	12.78 %	7.91 %	0.05 %
Vanguard Small Cap Value Index Admiral	13.36 %	1.60 %	10.28 %	7.18 %	0.07 %
Vanguard Target Retirement 2015	6.49 %	3.87 %	6.28 %	4.98 %	0.13 %
Vanguard Target Retirement 2020	7.82 %	3.82 %	7.39 %	5.65 %	0.13 %
Vanguard Target Retirement 2025	8.82 %	3.83 %	8.20 %	6.07 %	0.13 %
Vanguard Target Retirement 2030	9.54 %	3.71 %	8.87 %	6.39 %	0.14 %
Vanguard Target Retirement 2035	10.20 %	3.55 %	9.52 %	6.69 %	0.14 %
Vanguard Target Retirement 2040	10.96 %	3.38 %	10.20 %	6.96 %	0.14 %
Vanguard Target Retirement 2045	11.48 %	3.27 %	10.43 %	7.08 %	0.15 %
Vanguard Target Retirement 2050	11.50 %	3.27 %	10.43 %	7.08 %	0.15 %
Vanguard Target Retirement 2055	11.50 %	3.28 %	10.43 %	7.05 %	0.15 %
Vanguard Target Retirement 2060	11.48 %	3.25 %	10.42 %	7.05 %	0.15 %
Vanguard Target Retirement 2065	11.47 %	3.24 %	0.00 %	0.00 %	0.15 %
Vanguard Target Retirement Income	5.50 %	3.92 %	4.87 %	4.13 %	0.12 %
Vanguard Total Bond Market Index Admiral	2.94 %	4.45 %	1.98 %	2.67 %	0.05 %
Vanguard Total Int'l Stock Index Admiral	10.24 %	-5.23 %	8.06 %	2.77 %	0.11 %

Fund Lineup (Continued)

for the Period Ending 3/31/2019

Fund Name	YTD	1 Year	3 Year	5 Year	Net Expense Ratio*
Vanguard Total Stock Market Index Admiral	14.04 %	8.80 %	13.51 %	10.33 %	0.04 %
Vanguard US Growth Admiral	16.22 %	12.19 %	16.68 %	13.37 %	0.30 %
Vanguard Value Index Admiral	10.76 %	7.23 %	12.15 %	9.37 %	0.05 %

**The cost of investing in a particular fund can easily be estimated by multiplying the Net expense ratio by \$1000. For example, a fund with a Net expense ratio of 0.65% will cost the participant \$6.50 on annual basis for each \$1000 invested in the fund. An index fund with an expense ratio of 0.05% will cost \$0.50 per \$1000 invested.*

Pricing

Low Prices, Fair Value

We charge an annual asset fee, divided into quarters, billed to each investor. We use a true breakpoint schedule that allows us to lower our fees as the plan grows. Fees are also assessed to each individual client, which prevents large plans from subsidizing small plans. In addition to the asset fee, we charge an annual administration fee of \$25.00 per person.

TOTAL WORKSITE PLAN ASSETS	ANNUAL ASSET FEE
\$0- \$250,000	0.95 %
\$250,001- \$600,000	0.85 %
\$600,001- \$1,000,000	0.75 %
\$1,000,001- \$2,000,000	0.55 %
\$2,000,01- \$4,000,000	0.40 %
over \$4,000,000	0.30 %

Weighted Investment Expense 0.25 %

Participant Costs

Non prorated Administration \$25.00 annually (\$6.25 deducted from the account quarterly)
Loan Fee \$150.00 initial set-up + \$50.00 annual
Distribution \$40.00

Adopting Worksite 401(k) Cost Comparison

April 22, 2019

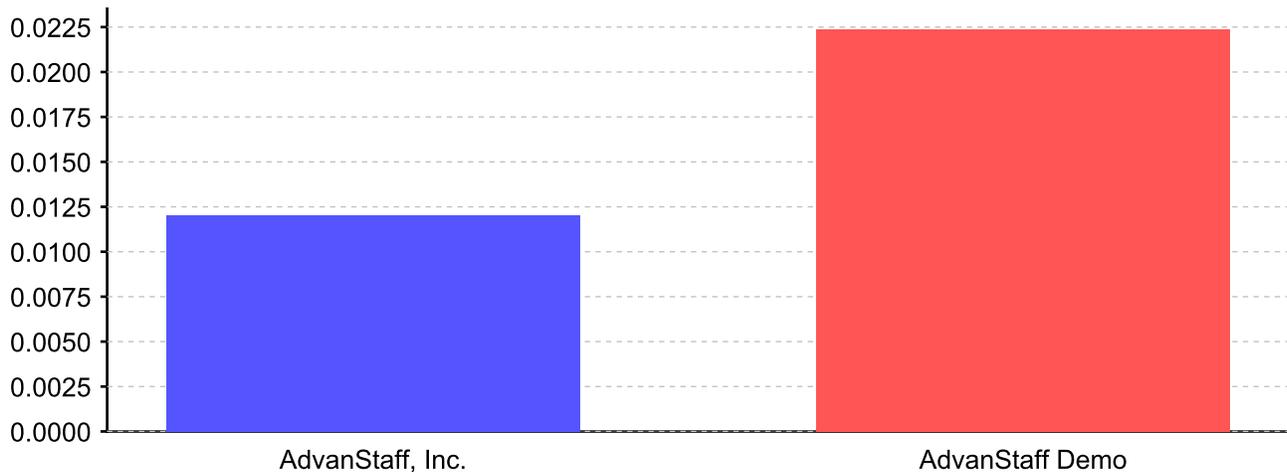
AdvanStaff Demo

*Eligible Participants: 25

*Est. Assets: \$ 500,000.00

*Participants with a Balance: 20

*2019 5500 Tax Filing plus Est. contributions and market growth



	MEP 401(k)	Current 401(k)
Company Admin Fee	\$0	From national average
Participant Admin Fee (\$25 x 20 participants)	\$500	From national average
Plan Asset Mgmt. and Servicing Fee (0.85%)	\$4,250	From national average
Weighted Investment Expenses (0.25%)	\$1,268	From national average
Est. Audit Costs	\$0	\$0
3(16) Administrator of the Plan	AdvanStaff, Inc.	AdvanStaff Demo
5500 Tax Filing Responsibility	AdvanStaff, Inc.	AdvanStaff Demo
Trustee/Fiduciary Liability	AdvanStaff, Inc.	AdvanStaff Demo
Est. Total Annual Plan Costs	\$6,018	\$11,200
Est. Total Annual Plan Costs %	1.20%	* 2.24%

Estimated Cost Savings

\$5,181.99

*Source: 401k Averages Book 18th Edition. All rights reserved. The information contained herein: 1) is proprietary to 401k Averages Book; 2) may not be copied or distributed. 401k Averages Book is not responsible for any damages or losses arising from the use of this information. The estimated total plan cost is the closest national average cost for the plan's size. An estimated audit cost for plans with over 100 eligible employees has been added to the national average. Your actual plan costs may be submitted to your plan representative for a more accurate cost comparison.

Adopting Worksite 401(k) Cost Comparison

Important Points of Consideration:

- The MEP Sponsor accepts the fiduciary liability of the plan and is responsible for sending contributions to the plan in a timely fashion. The investment committee of the MEP Sponsor is responsible for the investment options available to participants.
- The MEP Plan Sponsor provides Trustee Services and signs off on distributions including loans and hardship withdrawals.
- The MEP Plan Sponsor is responsible for fulfilling the notification requirement for the plan including the new comprehensive 408(b)(2) regulations.
- Personal Investment Advice is available to all participants through a toll free number for no extra charge.
- The Plan Document and required future amendments are included for no extra charge.
- Plans with over 100 eligible employees are required to have an audit. Typical cost is \$5,000 - \$10,000. The Sponsor plan is audited annually and covers each worksite for no extra charge.

