

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2012 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☒ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/2005</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>07/01/2005</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>07/01/2005</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u> <u>196 CESAR E CHAVEZ</u> <u>PONTIAC, MI 48343</u> <u>196 CESAR E CHAVEZ</u> <u>PONTIAC, MI 48343</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>38-3720787</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>248-745-9420</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>611000</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>38-3720787</u>	2c Sponsor's telephone number <u>248-745-9420</u>	2d Business code (see instructions) <u>611000</u>	
2b Employer Identification Number (EIN) <u>38-3720787</u>					
2c Sponsor's telephone number <u>248-745-9420</u>					
2d Business code (see instructions) <u>611000</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	<u>11/13/2013</u> Date	<u>RICHARD POWELL</u> Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN
		3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 189
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a 122	
b Retired or separated participants receiving benefits.....	6b	
c Other retired or separated participants entitled to future benefits.....	6c 35	
d Subtotal. Add lines 6a , 6b , and 6c	6d 157	
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	
f Total. Add lines 6d and 6e	6f 157	
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 88	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h 4	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 3D		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☒ <u>1</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>	D Employer Identification Number (EIN) <u>38-3720787</u>	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

LINCOLN NATIONAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
<u>35-0472300</u>	<u>65676</u>	<u>GP35433</u>	<u>88</u>	<u>01/01/2012</u>	<u>12/31/2012</u>

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
<u>6501</u>	<u>26</u>

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

HORNOR TOWNSEND AND KENT, INC. 600 DRESHER ROAD, STE C2C
HORSHAM, PA 19044

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
<u>6501</u>	<u>26</u>	<u>NON-MONETARY COMPENSATION TO SALES REP</u>	<u>4</u>

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	203285
5 Current value of plan's interest under this contract in separate accounts at year end	5	1157871

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier	6b	
c Premiums due but unpaid at the end of the year	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☒ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year	7b	192589
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c Additions: (1) Contributions deposited during the year	7c(1)	32135
(2) Dividends and credits	7c(2)	0
(3) Interest credited during the year	7c(3)	2226
(4) Transferred from separate account	7c(4)	
(5) Other (specify below)	7c(5)	-634

▶ LOAN REPAY/FORF/ADJUSTMENTS

(6) Total additions	7c(6)	33727
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d Total of balance and additions (add lines 7b and 7c(6))	7d	226316
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	18266
(2) Administration charge made by carrier	7e(2)	1321
(3) Transferred to separate account	7e(3)	
(4) Other (specify below)	7e(4)	4713

▶ LOAN ISSUES/FORF/FEE/CORRECTIVES/ADJUSTMENT

(5) Total deductions	7e(5)	24300
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f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	202016
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Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.....	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☐ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 CHARTER SCHOOL SERVICES OF MICHIGAN, INC.	D Employer Identification Number (EIN) 38-3720787

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
LINCOLN NATIONAL LIFE INSURANCE CO

35-1140070

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LINCOLN NATIONAL CORPORATION

35-1140070

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15	SERVICE PROVIDER		Yes ☒ No ☐	Yes ☒ No ☐		Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN)	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>	D Employer Identification Number (EIN) <u>38-3720787</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FEDERATED ULTRASHORT</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-114</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>246417</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FRANKLIN GROWTH</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-158</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>67627</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP SSGA S&P 500 INDEX</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-127</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>56368</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP SSGA SMALL CAP INDEX</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-136</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>54346</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>ALLIANCEBERNSTEIN VPS SMALL/MID CAP</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-139</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>43085</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTERNATIONAL EQUITY</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-122</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>38192</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP COHEN & STEERS GBL REAL EST</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL LIFE INSURANCE CO</u>			
c EIN-PN <u>35-1140070-155</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>37492</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK ENERGY & RESOURCES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-177	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 34510
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP TEMPLETON GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-162	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 33390
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS EUROPACIFIC GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-154	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 32765
a Name of MTIA, CCT, PSA, or 103-12 IE: JANUS ASPEN JANUS PORTFOLIO		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-170	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 32671
a Name of MTIA, CCT, PSA, or 103-12 IE: FRANKLIN HIGH INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-120	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 32321
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GROWTH - INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-149	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 31974
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE BOND		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-112	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 31949
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP VALUE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-161	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 27450
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP PROTECTED PROFILE 2040		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-704	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25991
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP DIMENSIONAL US EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-157	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 24543

a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP DIVERSIFIED INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-187	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 22903
a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP DIVERSIFIED INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-193	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 22139
a Name of MTIA, CCT, PSA, or 103-12 IE: JANUS ASPEN ENTERPRISE PORTFOLIO		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-164	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19579
a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO VAN KAMPEN GROWTH & INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-128	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16960
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-148	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 16402
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP PROTECTED PROFILE 2020		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-702	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 15416
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK FLEXIBLE EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-183	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14870
a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD DOMESTIC EQUITY ETF		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-119	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14525
a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA RUSSELL ALL CAP INDEX		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-123	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 14248
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK LARGE CAP VALUE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-180	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 13578

a Name of MTIA, CCT, PSA, or 103-12 IE: ALLIANCEBERNSTEIN VPS GLOBAL TECH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-131	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11854
a Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP CONTRAFUND		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-135	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11493
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP T.ROWE PRICE GROWTH STOCK		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-129	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10531
a Name of MTIA, CCT, PSA, or 103-12 IE: OPPENHEIMER DEVELOPING MARKETS		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-194	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10262
a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD LIFESTRATEGY CONSERVATIVE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-130	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10068
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP BLACKROCK INFLATION PROTECTED		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-192	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 8287
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS GLOBAL SMALL CAPITALIZATION		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-146	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7304
a Name of MTIA, CCT, PSA, or 103-12 IE: TEMPLETON GLOBAL BOND SECURITIES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-186	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7005
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP DELAWARE GROWTH & INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-111	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5886
a Name of MTIA, CCT, PSA, or 103-12 IE: COLUMBIA ACORN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-117	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5872

a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP MID-CAP VALUE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-138	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5829
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO ADVANTAGE DISCOVERY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-163	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5413
a Name of MTIA, CCT, PSA, or 103-12 IE: AFIS NEW PERSPECTIVE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-134	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5407
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP DELAWARE FNDTN CONSERVATIVE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-195	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4636
a Name of MTIA, CCT, PSA, or 103-12 IE: FIDELITY VIP MID CAP		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-184	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 4324
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP DELAWARE FOUNDATION MOD ALLOC		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-196	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3477
a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK CAPITAL APPRECIATION		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-181	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3283
a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD LIFESTRATEGY MOD GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-121	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3164
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP SSGA INT'L INDEX		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-708	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2604
a Name of MTIA, CCT, PSA, or 103-12 IE: AMERFUND AMER HIGH - INCOME		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-716	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1719

a Name of MTIA, CCT, PSA, or 103-12 IE: DELAWARE VIP SMALL CAP VALUE SERIES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-156	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1711
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP WISH 2010		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-701	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1589
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP DELAWARE FOUNDATION AGGRESSIVE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-197	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1119
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP VANGUARD INTERNATIONAL EQUITY		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-159	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1071
a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA RUSSELL SMALL/MID CAP INDEX		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-124	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1050
a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP PROTECTED PROFILE 2030		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-703	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 404
a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA RUSSELL SM CAP GR NON-LENDING		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-715	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 312
a Name of MTIA, CCT, PSA, or 103-12 IE: AMFUNDS BOND FUND OF AMERICA		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-717	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 250
a Name of MTIA, CCT, PSA, or 103-12 IE: VANGUARD LIFESTRATEGY GROWTH		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-132	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 108
a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT UTILITIES SERIES		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO		
c EIN-PN 35-1140070-167	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 103

a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT GROWTH SERIES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-165	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25
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a Name of MTIA, CCT, PSA, or 103-12 IE: MFS VIT GROWTH SERIES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL LIFE INSURANCE CO

c EIN-PN 35-1140070-165	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		
A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>		D Employer Identification Number (EIN) <u>38-3720787</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	4612	8428
	(2) Participant contributions	1b(2)	8369	12488
	(3) Other	1b(3)		1941
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)	31415	18369
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)	1214375	1157871
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	192589	203285
	(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	1451360	1402382

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	691	
k Total liabilities (add all amounts in lines 1g through 1j)	1k	691	

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1450669	1402382
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	105056	
(B) Participants	2a(1)(B)	180232	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		285288
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	1236	
(F) Other	2b(1)(F)	3493	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		4729
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		124521
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		414538

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	174666	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		174666
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		143
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	15066	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		15066
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		189875

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		224663
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		272950

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: YEO & YEO, PC

(2) EIN: 38-2706146

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		141000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	X		

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

OJIBWE CHARTER SCHOOL/CHARTER SCHOOL SERVICES 401K PLAN

5b(2) EIN(s)	5b(3) PN(s)
20-1257602	001

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CHARTER SCHOOL SERVICES OF MICHIGAN, INC.</u>	D Employer Identification Number (EIN) <u>38-3720787</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>35-0472300</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**Charter School Services of
Michigan, Inc. Retirement Plan**

**Annual Statement of Net Assets
Available for Benefits
and
Auditors' Report**

December 31, 2012

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Independent Auditors' Report

To the Board of Directors of
Charter School Services of Michigan Inc. Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Charter School Services of Michigan Inc. Retirement Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the year ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Plan's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Lincoln National Life Insurance Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2012 and 2011, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

The form and content of the information included in the financial statements, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Report on Supplemental Information

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year), which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above. The form and content of the information included in the supplemental schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Yeo & Yeo, P.C.

Saginaw, Michigan
September 30, 2013

Charter School Services of Michigan Inc. Retirement Plan
Statement of Net Assets Available for Benefits

	December 31,	
	<u>2012</u>	<u>2011</u>
Assets		
Investments, at fair value		
Pooled separate accounts	\$ 1,157,871	\$ 1,214,375
Guaranteed interest account	<u>203,285</u>	<u>192,589</u>
Total investments	1,361,156	1,406,964
Receivables		
Employer contribution	8,428	4,612
Participant contributions	12,488	8,369
Notes receivable from participants	18,369	31,415
Other	<u>1,941</u>	<u>-</u>
Total receivables	<u>41,226</u>	<u>44,396</u>
Total assets	1,402,382	1,451,360
Liabilities		
Loan overpayment	<u>-</u>	<u>691</u>
Net assets available for benefits at fair value	<u>\$ 1,402,382</u>	<u>\$ 1,450,669</u>

See Accompanying Notes to Financial Statements

Charter School Services of Michigan Inc. Retirement Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2012

Additions

Investment income

Net investment gain (loss) on pooled separate accounts	\$ 124,521
Interest earned on guaranteed interest account	<u>3,493</u>
Net investment income (loss)	128,014

Interest income on notes receivable from participants	1,236
---	-------

Contributions

Participant	180,232
Employer	<u>105,056</u>
Total contributions	<u>285,288</u>

Total additions	414,538
-----------------	---------

Deductions

Benefits paid to participants	174,666
Deemed distributions of notes receivable from participants	143
Administrative expenses	<u>15,066</u>

Total deductions	<u>189,875</u>
------------------	----------------

Transfers out to another plan (Note 11)	<u>(272,950)</u>
---	------------------

Net change in assets	(48,287)
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Net assets available for benefits, beginning of year	<u>1,450,669</u>
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Net assets available for benefits, end of year	<u>\$ 1,402,382</u>
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Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2012

Note 1 – Description of the Plan

The following description of the Charter School Services of Michigan Inc. Retirement Plan (Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the plan provisions.

General

The Plan is a defined contribution profit sharing plan covering substantially all employees of Charter School Services of Michigan, Inc. (Company). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Employees are eligible for plan participation in the elective deferral portion of the plan and discretionary Company non-elective contributions when they have attained the age of 20.5 years; entry is immediate after satisfying the eligibility requirements. Employees are eligible for the discretionary Company matching contributions when they have attained the age of 20.5 years and have completed one year of service; entry is monthly. One year of service is defined as any plan year in which 1,000 hours are worked.

Contributions

Each year, participants may contribute up to 80 percent of their annual compensation, not to exceed the limits of the Internal Revenue Code (IRC). A maximum deferral of \$17,000 and \$16,500 was allowed in 2012 and 2011, respectively. Participants who were age 50 or older were allowed to defer an additional \$5,500 in 2012 and 2011. Participants may also make rollover contributions from qualified defined benefit or defined contribution plans.

Discretionary Company non-elective contributions to the Plan are determined by the Board of Directors of the Company and are allocated to each participant based upon a percentage of each participant's annual compensation to the annual compensation of all plan participants. The Company did not provide for a non-elective contribution for the 2012 plan year.

Discretionary Company matching contributions are allocated to each participant based on a percentage of the participant's elective contributions as determined by the Company's Board of Directors. For the 2012 plan year, the Company matched 100% of participant elective contributions up to a maximum of 5% of eligible plan compensation.

Participant Accounts

Each participant's account is credited with the participant's voluntary contributions and Company's contributions, as well as allocations of the Plan's investment earnings and administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined per the plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions into various investment options offered by the Plan. Participants may change their investment options at any time.

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Vesting

Participants are 100% vested in their voluntary and rollover contributions, including any earnings thereon, immediately upon their effective date of participation. Vesting on the Company matching account balances is as follows:

<u>Vesting Service (Years)</u>	<u>Vesting %</u>
Less than 2	0%
2 but less than 3	25%
3 but less than 4	50%
4 but less than 5	75%
5 or more	100%

Notes Receivable from Participants

Participants may borrow from their plan account balance at a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. The loans are secured by the balance in the participant's account and must bear reasonable rates of interest which are generally consistent with local borrowing rates as of the date of each loan. Principal and interest is paid ratably through payroll deductions over the term of the loan.

Payment of Benefits

The Plan provides for payment of 100% of the account balance to participants upon normal retirement at age 65, death, or total and permanent disability. Participants terminating employment for any other reason are entitled to receive 100% of their vested account balances and the remaining non-vested portions would be forfeited. At the time a participant is entitled to receive a distribution under the Plan, the trustee will pay the benefit in a lump-sum payment. Upon termination of service due to death, the beneficiary or estate may receive the distribution in a lump-sum payment or annual installments over the life of the beneficiary, depending on the named beneficiary.

Participants may delay payment of their benefits if their account balance is more than \$5,000 at the time they terminate service. However, if the account balance is less than \$5,000, the Company can cash the participant's entire vested account balance out of the Plan if no distribution election is made. If the vested account balance is greater than \$1,000, the amount must be rolled over to an IRA; however, if the amount is less than \$1,000, it will be distributed to the participant in a single lump sum. Once a participant reaches the age of 70 ½ there are certain minimum required distributions.

Generally, a participant may receive a distribution from the Plan prior to the participant's termination of employment if certain conditions are satisfied. A participant may be entitled to receive a pre-retirement distribution from their vested account balance if the participant has reached the age of 59 ½. Hardship distributions are permitted only to satisfy certain immediate and heavy financial needs. A participant may request a hardship distribution from the participant's vested accounts in the Plan attributable to salary deferrals and rollovers from other plans. The hardship distribution may not be in excess of the amount of the participant's immediate and heavy financial need. In addition, the participant must have obtained all distributions, other than hardship distributions, and all nontaxable loans currently available.

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Forfeited Accounts

At December 31, 2012 and 2011, forfeited non-vested accounts totaled \$16,294 and \$15,307, respectively. These accounts will be used to pay administrative expenses of the Plan. Forfeitures used towards plan expenses in 2012 were \$3,809.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in those net assets.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value, if any. The Statement of Changes in Net Assets Available for Benefits is prepared using the contract value basis for fully benefit-responsive investment contracts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion on fair value measurements.

Purchases and sales of investments are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. For pooled separate accounts, investment income is reported net. For the guaranteed interest account, investment income reflects interest earned.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis and is credited as earnings to the participant's account balance. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance has been recorded as of December 31, 2012 and 2011, as the full outstanding balance is deemed collectible. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and recorded in the statement of changes in net assets available for benefits as a deemed distribution of participant notes receivable.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2012

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Some administrative expenses for the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to participant loan setup, distributions, and general administrative and recordkeeping fees are charged directly to the participant's account and are included in the administrative expenses. Investment related expenses are included in investment income.

New Accounting Standard

In May 2011, the Financial Accounting Standards Board issued Accounting Standards Update 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards" (ASU 2011-04). ASU 2011-04 requires enhanced disclosures, particularly for Level 3 fair value measurements, for which quantitative information about the unobservable inputs and descriptions of the valuation processes used by the entity will be required. ASU 2011-04 is effective for periods beginning after December 15, 2011 and is required to be applied prospectively. The Plan adopted ASU 2011-04 for the plan year ending December 31, 2012 and it did not have a material impact to the Plan's financial statements.

Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date of the financial statements were available to be issued.

Note 3 – Investments

The following presents investments that represent 5 percent or more of the Plan's net assets:

	December 31,	
	2012	2011
Investments, at fair value		
Fed Gov Ultrashort Dur SA14	\$ 246,417	\$ 223,412
Guaranteed interest account	203,285	198,737
LVIP Protected Profile 2020	*	101,569

* Less than 5% of net assets at this date.

Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under US GAAP are described as follows:

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the assets or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following are descriptions of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

Pooled separate account: valued at the net asset value (NAV) of units held by the Plan at year end as provided by Lincoln. The NAV is based on the fair value of the underlying assets owned by the fund, net of the investment management fee. The investment management fee is deducted prior to setting the daily unit value.

Guaranteed interest account (GIA): valued at contract value (approximates fair value) using the principal invested (contributions or transfers in) plus interest earned less participant withdrawals or transfers out (see Note 5).

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012 and 2011:

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

		Fair Value Measurements at Reporting Date Using		
	Fair Value	Level 1	Level 2	Level 3
<u>December 31, 2012</u>				
Pooled separate accounts				
Growth	\$ 247,717	\$ -	\$ 247,717	\$ -
Foreign	86,486	-	86,486	-
Value	145,591	-	145,591	-
Bond	365,985	-	365,985	-
Blend	43,273	-	43,273	-
Balanced	13,340	-	13,340	-
World stock	12,711	-	12,711	-
Utilities	103	-	103	-
Equity energy	34,510	-	34,510	-
Index	111,026	-	111,026	-
Global real estate	37,492	-	37,492	-
World bond	7,005	-	7,005	-
Allocation	52,632	-	52,632	-
Guaranteed interest account	<u>203,285</u>	<u>-</u>	<u>203,285</u>	<u>-</u>
Total	<u>\$ 1,361,156</u>	<u>\$ -</u>	<u>\$ 1,361,156</u>	<u>\$ -</u>
<u>December 31, 2011</u>				
Pooled separate accounts				
Growth	\$ 226,946	\$ -	\$ 226,946	\$ -
Foreign	75,480	-	75,480	-
Value	139,071	-	139,071	-
Bond	319,735	-	319,735	-
Blend	32,645	-	32,645	-
Balanced	17,299	-	17,299	-
World stock	13,246	-	13,246	-
Utilities	91	-	91	-
Equity energy	50,796	-	50,796	-
Index	91,011	-	91,011	-
Global real estate	29,302	-	29,302	-
World bond	10,422	-	10,422	-
Allocation	208,331	-	208,331	-
Guaranteed interest account	<u>192,589</u>	<u>-</u>	<u>192,589</u>	<u>-</u>
Total	<u>\$ 1,406,964</u>	<u>\$ -</u>	<u>\$ 1,406,964</u>	<u>\$ -</u>

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Note 5 – Guaranteed Interest Account with Insurance Company

The Plan's investment options include a fully benefit-responsive guaranteed interest account (GIA) through Lincoln National Life Insurance Company (Lincoln). Lincoln maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The guarantee is based on Lincoln's ability to meet its financial obligations from its general assets.

Because the GIA is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits. The GIA is presented on the face of the statement of net assets available for benefits at fair value. Based on the information provided by Lincoln, the contract value is an appropriate determination of fair value for the contract as of December 31, 2012 and 2011; therefore, no fair value to contract value adjustment is necessary in the statement of net assets available for benefits. Contract value, as reported to the Plan by Lincoln, represents principal invested (contributions or transfers in) plus interest earned less participant withdrawals or transfers out. Under the terms of the contract, participant-initiated transactions for the purpose of receiving benefits allowed under the plan, such as retirement, death, disability, hardship, loan, required minimum distribution, allowable in-service withdrawal, are completed at contract value without conditions, limits, or restrictions.

The average yield earned by the Plan for the years ended December 31, 2012 and 2011 was 3.11% and 3.37%, respectively, which was also the actual interest rate credited to plan participants.

The methodology used to calculate the interest crediting rate for the GIA is discretionary to Lincoln; however, the guaranteed crediting rate cannot be reset below 0%, at a minimum. Therefore, each participant's principal is guaranteed while the contract is in force. The crediting interest rate is set at the beginning of each calendar quarter. Participants should refer to the contract for further details covering the interest crediting methods.

Events that limit the Plan's ability to execute transactions at contract value with the issuer include market value adjustments and surrender charges. Events that would permit the issuer to terminate the contracts and settle at amounts that differ from contract value include, but are not limited to the following: failure to pay any charges Lincoln has billed, failure to furnish requested information or other documentation, misrepresentation of any material information by the contract owner, and if the plan ceases to meet requirements of the IRC. The plan administrator does not believe that the occurrence of any such event is probable.

Note 6 - Related-Party Transactions and Party in Interest Transactions

Certain plan investments are managed by Lincoln. Lincoln is the custodian of the Plan and, therefore, these transactions qualify as party-in interest transactions. Fees incurred by the Plan for the investment management services are included in investment income, as they are paid through revenue sharing, rather than a direct payment. As described in Note 2, the Plan made some direct payments to Lincoln and Pertius Benefits and Investments, Inc., the third party administrator of the Plan, which was not covered by revenue sharing. The Company pays directly any other fees related to the plan's operations.

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Note 7 – Plan Investments

The Plan's investment assets, transactions, and income were held and certified by Lincoln, the custodian, as of and for the years ended December 31, 2012 and 2011, respectively.

Note 8 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the plan agreement to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In event of termination, participants become 100% vested in the current account balances.

Note 9 – Tax Status

The sponsor adopted a nonstandard prototype plan, which received a favorable opinion letter from the Internal Revenue Service (IRS), dated March 31, 2008, indicating that the prototype plan qualifies under Section 401(a) of the IRC and is therefore generally exempt from future taxes under present income tax laws. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The prototype plan has been amended since receiving this opinion letter. However, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

The Plan files informational returns in the U.S. federal jurisdiction. US GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The statute of limitations is generally three years for federal returns.

Note 10 - Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for plan benefits.

Note 11 – Plan Asset Transfer

Effective July 1, 2012, Ojibwe Charter School was no longer utilizing the employee leasing services of the Company and, therefore, all participant account balances for Ojibwe Charter School were transferred out of the Plan and into a new plan with a different investment provider in 2012. This asset transfer is reflected in the Statement of Changes in Net Assets Available for Benefits.

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2012

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	LVIP Mid-Cap Value SA38		\$ 5,829
*	Lincoln National Life Ins. Co.	LVIP Vanguard Domestic Eq SA19		14,525
*	Lincoln National Life Ins. Co.	LVIP T.Rowe Growth Stock SA29		10,531
*	Lincoln National Life Ins. Co.	AB Global Thematic SA31		11,854
*	Lincoln National Life Ins. Co.	LVIP Del Growth & Income SA11		5,886
*	Lincoln National Life Ins. Co.	LVIP Delaware Bond SA12		31,949
*	Lincoln National Life Ins. Co.	Fed Gov Ultrashort Dur SA14		246,417
*	Lincoln National Life Ins. Co.	Columbia Acorn SA17		5,872
*	Lincoln National Life Ins. Co.	Franklin High Income SA20		32,321
*	Lincoln National Life Ins. Co.	VG LifeStrategy Mod Grw SA21		3,164
*	Lincoln National Life Ins. Co.	LVIP Mon Int'l Value SA22		38,192
*	Lincoln National Life Ins. Co.	SSgA Rusl All Cap Idx SA23		14,248
*	Lincoln National Life Ins. Co.	SSgA Rusl Sml Md Cp Idx SA24		1,050
*	Lincoln National Life Ins. Co.	Invesco Growth & Income SA28		16,960
*	Lincoln National Life Ins. Co.	VG LifeStrategy Cons Grw SA30		10,068
*	Lincoln National Life Ins. Co.	VG LifeStrategy Growth SA32		108
*	Lincoln National Life Ins. Co.	Delaware VIP Value SA61		27,450
*	Lincoln National Life Ins. Co.	Guaranteed Account		203,285
*	Lincoln National Life Ins. Co.	AmerFunds New Perspective SA34		5,407
*	Lincoln National Life Ins. Co.	Fidelity VIP ContraFund SA35		11,493
*	Lincoln National Life Ins. Co.	AB Small Mid Cap Value SA39		43,085
*	Lincoln National Life Ins. Co.	AmerFunds SMALLCAP World SA46		7,304
*	Lincoln National Life Ins. Co.	AmerFunds Growth America SA48		16,402
*	Lincoln National Life Ins. Co.	AmerFunds Invest Co Amer SA49		31,974
*	Lincoln National Life Ins. Co.	AmerFunds EuroPac Growth SA54		32,765
*	Lincoln National Life Ins. Co.	Delaware VIP SmCap Value SA56		1,711
*	Lincoln National Life Ins. Co.	LVIP Dimensionl US Equity SA57		24,543
*	Lincoln National Life Ins. Co.	Franklin Growth SA58		67,627
*	Lincoln National Life Ins. Co.	LVIP Vanguard Intl Equity SA59		1,071
*	Lincoln National Life Ins. Co.	WF Advantage Discovery SA63		5,413
*	Lincoln National Life Ins. Co.	Janus Aspen Enterprise SA64		19,579
*	Lincoln National Life Ins. Co.	Janus Aspen Janus SA70		32,671
*	Lincoln National Life Ins. Co.	MFS VIT Growth SA65		25
*	Lincoln National Life Ins. Co.	MFS VIT Utilities Series SA67		103

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2012

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	BlackRock Enrgy&Resources SA77		\$ 34,510
*	Lincoln National Life Ins. Co.	BlackRock Flexible Equity SA83		14,870
*	Lincoln National Life Ins. Co.	BlackRock Large Cap Value SA80		13,578
*	Lincoln National Life Ins. Co.	BlackRock Capital App SA81		3,283
*	Lincoln National Life Ins. Co.	AmerFunds Amer High-Inc SA1C		1,719
*	Lincoln National Life Ins. Co.	AmerFunds Bond America SA1E		250
*	Lincoln National Life Ins. Co.	LVIP SSgA S&P 500 Index SA27		56,368
*	Lincoln National Life Ins. Co.	LVIP SSgA Small-Cap Index SA36		54,346
*	Lincoln National Life Ins. Co.	LVIP Clarion Gbl Real Est SA55		37,492
*	Lincoln National Life Ins. Co.	LVIP Templeton Growth RPM SA62		33,390
*	Lincoln National Life Ins. Co.	Fidelity VIP Mid Cap SA84		4,324
*	Lincoln National Life Ins. Co.	Temp Glbal Bnd Securities SA86		7,005
*	Lincoln National Life Ins. Co.	Del Ltd-Term Div Income SA87		22,903
*	Lincoln National Life Ins. Co.	LVIPBkRk Infltn Protected SA92		8,287
*	Lincoln National Life Ins. Co.	Del VIP DiversifiedIncome SA93		22,139
*	Lincoln National Life Ins. Co.	Oppenheimer Dvlping Mrkts SA94		10,262
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ConservAll SA95		4,636
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ModeratAll SA96		3,477
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn AggressAll SA97		1,119
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2010 SAL1		1,589
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2020 SAL2		15,416
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2030 SAL3		404
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2040 SAL4		25,991
*	Lincoln National Life Ins. Co.	LVIP SSgA Internat'l Indx SAL5		2,604
*	Lincoln National Life Ins. Co.	SSgA Russ SC Gr lx Non-Ln SALC		312
*	Participant Loans	Interest rates are 4.25%, loan periods range from 12 to 60 months	- 0 -	18,369

(a) An asterisk in this column identified a person known to be a party-in-interest.

**Charter School Services of
Michigan, Inc. Retirement Plan**

**Annual Statement of Net Assets
Available for Benefits
and
Auditors' Report**

December 31, 2012

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Independent Auditors' Report

To the Board of Directors of
Charter School Services of Michigan Inc. Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Charter School Services of Michigan Inc. Retirement Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the year ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Plan's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by Lincoln National Life Insurance Company, the custodian of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of and for the years ended December 31, 2012 and 2011, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

The form and content of the information included in the financial statements, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Report on Supplemental Information

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplemental Schedule of Assets (Held at End of Year), which is the responsibility of plan management, is presented for the purpose of additional analysis and is not a required part of the financial statements but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, it is inappropriate to and we do not express an opinion on the supplemental schedule referred to above. The form and content of the information included in the supplemental schedule, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Yeo & Yeo, P.C.

Saginaw, Michigan
September 30, 2013

Charter School Services of Michigan Inc. Retirement Plan
Statement of Net Assets Available for Benefits

	December 31,	
	<u>2012</u>	<u>2011</u>
Assets		
Investments, at fair value		
Pooled separate accounts	\$ 1,157,871	\$ 1,214,375
Guaranteed interest account	<u>203,285</u>	<u>192,589</u>
Total investments	1,361,156	1,406,964
Receivables		
Employer contribution	8,428	4,612
Participant contributions	12,488	8,369
Notes receivable from participants	18,369	31,415
Other	<u>1,941</u>	<u>-</u>
Total receivables	<u>41,226</u>	<u>44,396</u>
Total assets	1,402,382	1,451,360
Liabilities		
Loan overpayment	<u>-</u>	<u>691</u>
Net assets available for benefits at fair value	<u>\$ 1,402,382</u>	<u>\$ 1,450,669</u>

See Accompanying Notes to Financial Statements

Charter School Services of Michigan Inc. Retirement Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2012

Additions

Investment income

Net investment gain (loss) on pooled separate accounts	\$ 124,521
Interest earned on guaranteed interest account	<u>3,493</u>
Net investment income (loss)	128,014

Interest income on notes receivable from participants	1,236
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Contributions

Participant	180,232
Employer	<u>105,056</u>
Total contributions	<u>285,288</u>

Total additions	414,538
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Deductions

Benefits paid to participants	174,666
Deemed distributions of notes receivable from participants	143
Administrative expenses	<u>15,066</u>

Total deductions	<u>189,875</u>
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Transfers out to another plan (Note 11)	<u>(272,950)</u>
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Net change in assets	(48,287)
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Net assets available for benefits, beginning of year	<u>1,450,669</u>
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Net assets available for benefits, end of year	<u>\$ 1,402,382</u>
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Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2012

Note 1 – Description of the Plan

The following description of the Charter School Services of Michigan Inc. Retirement Plan (Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the plan provisions.

General

The Plan is a defined contribution profit sharing plan covering substantially all employees of Charter School Services of Michigan, Inc. (Company). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility

Employees are eligible for plan participation in the elective deferral portion of the plan and discretionary Company non-elective contributions when they have attained the age of 20.5 years; entry is immediate after satisfying the eligibility requirements. Employees are eligible for the discretionary Company matching contributions when they have attained the age of 20.5 years and have completed one year of service; entry is monthly. One year of service is defined as any plan year in which 1,000 hours are worked.

Contributions

Each year, participants may contribute up to 80 percent of their annual compensation, not to exceed the limits of the Internal Revenue Code (IRC). A maximum deferral of \$17,000 and \$16,500 was allowed in 2012 and 2011, respectively. Participants who were age 50 or older were allowed to defer an additional \$5,500 in 2012 and 2011. Participants may also make rollover contributions from qualified defined benefit or defined contribution plans.

Discretionary Company non-elective contributions to the Plan are determined by the Board of Directors of the Company and are allocated to each participant based upon a percentage of each participant's annual compensation to the annual compensation of all plan participants. The Company did not provide for a non-elective contribution for the 2012 plan year.

Discretionary Company matching contributions are allocated to each participant based on a percentage of the participant's elective contributions as determined by the Company's Board of Directors. For the 2012 plan year, the Company matched 100% of participant elective contributions up to a maximum of 5% of eligible plan compensation.

Participant Accounts

Each participant's account is credited with the participant's voluntary contributions and Company's contributions, as well as allocations of the Plan's investment earnings and administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined per the plan agreement. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investment Options

Upon enrollment in the Plan, a participant may direct contributions into various investment options offered by the Plan. Participants may change their investment options at any time.

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Vesting

Participants are 100% vested in their voluntary and rollover contributions, including any earnings thereon, immediately upon their effective date of participation. Vesting on the Company matching account balances is as follows:

<u>Vesting Service (Years)</u>	<u>Vesting %</u>
Less than 2	0%
2 but less than 3	25%
3 but less than 4	50%
4 but less than 5	75%
5 or more	100%

Notes Receivable from Participants

Participants may borrow from their plan account balance at a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. The loans are secured by the balance in the participant's account and must bear reasonable rates of interest which are generally consistent with local borrowing rates as of the date of each loan. Principal and interest is paid ratably through payroll deductions over the term of the loan.

Payment of Benefits

The Plan provides for payment of 100% of the account balance to participants upon normal retirement at age 65, death, or total and permanent disability. Participants terminating employment for any other reason are entitled to receive 100% of their vested account balances and the remaining non-vested portions would be forfeited. At the time a participant is entitled to receive a distribution under the Plan, the trustee will pay the benefit in a lump-sum payment. Upon termination of service due to death, the beneficiary or estate may receive the distribution in a lump-sum payment or annual installments over the life of the beneficiary, depending on the named beneficiary.

Participants may delay payment of their benefits if their account balance is more than \$5,000 at the time they terminate service. However, if the account balance is less than \$5,000, the Company can cash the participant's entire vested account balance out of the Plan if no distribution election is made. If the vested account balance is greater than \$1,000, the amount must be rolled over to an IRA; however, if the amount is less than \$1,000, it will be distributed to the participant in a single lump sum. Once a participant reaches the age of 70 ½ there are certain minimum required distributions.

Generally, a participant may receive a distribution from the Plan prior to the participant's termination of employment if certain conditions are satisfied. A participant may be entitled to receive a pre-retirement distribution from their vested account balance if the participant has reached the age of 59 ½. Hardship distributions are permitted only to satisfy certain immediate and heavy financial needs. A participant may request a hardship distribution from the participant's vested accounts in the Plan attributable to salary deferrals and rollovers from other plans. The hardship distribution may not be in excess of the amount of the participant's immediate and heavy financial need. In addition, the participant must have obtained all distributions, other than hardship distributions, and all nontaxable loans currently available.

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Forfeited Accounts

At December 31, 2012 and 2011, forfeited non-vested accounts totaled \$16,294 and \$15,307, respectively. These accounts will be used to pay administrative expenses of the Plan. Forfeitures used towards plan expenses in 2012 were \$3,809.

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and present the net assets available for benefits and changes in those net assets.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value, if any. The Statement of Changes in Net Assets Available for Benefits is prepared using the contract value basis for fully benefit-responsive investment contracts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP) requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion on fair value measurements.

Purchases and sales of investments are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. For pooled separate accounts, investment income is reported net. For the guaranteed interest account, investment income reflects interest earned.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis and is credited as earnings to the participant's account balance. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance has been recorded as of December 31, 2012 and 2011, as the full outstanding balance is deemed collectible. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and recorded in the statement of changes in net assets available for benefits as a deemed distribution of participant notes receivable.

Charter School Services of Michigan Inc. Retirement Plan

Notes to Financial Statements

December 31, 2012

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan. Some administrative expenses for the Plan are paid directly by the Company and are excluded from these financial statements. Fees related to participant loan setup, distributions, and general administrative and recordkeeping fees are charged directly to the participant's account and are included in the administrative expenses. Investment related expenses are included in investment income.

New Accounting Standard

In May 2011, the Financial Accounting Standards Board issued Accounting Standards Update 2011-04, "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards" (ASU 2011-04). ASU 2011-04 requires enhanced disclosures, particularly for Level 3 fair value measurements, for which quantitative information about the unobservable inputs and descriptions of the valuation processes used by the entity will be required. ASU 2011-04 is effective for periods beginning after December 15, 2011 and is required to be applied prospectively. The Plan adopted ASU 2011-04 for the plan year ending December 31, 2012 and it did not have a material impact to the Plan's financial statements.

Subsequent Events

Management has evaluated subsequent events through the date of the Independent Auditors' Report, which is the date of the financial statements were available to be issued.

Note 3 – Investments

The following presents investments that represent 5 percent or more of the Plan's net assets:

	December 31,	
	2012	2011
Investments, at fair value		
Fed Gov Ultrashort Dur SA14	\$ 246,417	\$ 223,412
Guaranteed interest account	203,285	198,737
LVIP Protected Profile 2020	*	101,569

* Less than 5% of net assets at this date.

Note 4 – Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under US GAAP are described as follows:

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the assets or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following are descriptions of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

Pooled separate account: valued at the net asset value (NAV) of units held by the Plan at year end as provided by Lincoln. The NAV is based on the fair value of the underlying assets owned by the fund, net of the investment management fee. The investment management fee is deducted prior to setting the daily unit value.

Guaranteed interest account (GIA): valued at contract value (approximates fair value) using the principal invested (contributions or transfers in) plus interest earned less participant withdrawals or transfers out (see Note 5).

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's investments at fair value as of December 31, 2012 and 2011:

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

		Fair Value Measurements at Reporting Date Using		
	Fair Value	Level 1	Level 2	Level 3
<u>December 31, 2012</u>				
Pooled separate accounts				
Growth	\$ 247,717	\$ -	\$ 247,717	\$ -
Foreign	86,486	-	86,486	-
Value	145,591	-	145,591	-
Bond	365,985	-	365,985	-
Blend	43,273	-	43,273	-
Balanced	13,340	-	13,340	-
World stock	12,711	-	12,711	-
Utilities	103	-	103	-
Equity energy	34,510	-	34,510	-
Index	111,026	-	111,026	-
Global real estate	37,492	-	37,492	-
World bond	7,005	-	7,005	-
Allocation	52,632	-	52,632	-
Guaranteed interest account	<u>203,285</u>	<u>-</u>	<u>203,285</u>	<u>-</u>
Total	<u>\$ 1,361,156</u>	<u>\$ -</u>	<u>\$ 1,361,156</u>	<u>\$ -</u>
<u>December 31, 2011</u>				
Pooled separate accounts				
Growth	\$ 226,946	\$ -	\$ 226,946	\$ -
Foreign	75,480	-	75,480	-
Value	139,071	-	139,071	-
Bond	319,735	-	319,735	-
Blend	32,645	-	32,645	-
Balanced	17,299	-	17,299	-
World stock	13,246	-	13,246	-
Utilities	91	-	91	-
Equity energy	50,796	-	50,796	-
Index	91,011	-	91,011	-
Global real estate	29,302	-	29,302	-
World bond	10,422	-	10,422	-
Allocation	208,331	-	208,331	-
Guaranteed interest account	<u>192,589</u>	<u>-</u>	<u>192,589</u>	<u>-</u>
Total	<u>\$ 1,406,964</u>	<u>\$ -</u>	<u>\$ 1,406,964</u>	<u>\$ -</u>

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Note 5 – Guaranteed Interest Account with Insurance Company

The Plan's investment options include a fully benefit-responsive guaranteed interest account (GIA) through Lincoln National Life Insurance Company (Lincoln). Lincoln maintains the contributions in a general account. The account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The contract issuer is contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan. The guarantee is based on Lincoln's ability to meet its financial obligations from its general assets.

Because the GIA is fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits. The GIA is presented on the face of the statement of net assets available for benefits at fair value. Based on the information provided by Lincoln, the contract value is an appropriate determination of fair value for the contract as of December 31, 2012 and 2011; therefore, no fair value to contract value adjustment is necessary in the statement of net assets available for benefits. Contract value, as reported to the Plan by Lincoln, represents principal invested (contributions or transfers in) plus interest earned less participant withdrawals or transfers out. Under the terms of the contract, participant-initiated transactions for the purpose of receiving benefits allowed under the plan, such as retirement, death, disability, hardship, loan, required minimum distribution, allowable in-service withdrawal, are completed at contract value without conditions, limits, or restrictions.

The average yield earned by the Plan for the years ended December 31, 2012 and 2011 was 3.11% and 3.37%, respectively, which was also the actual interest rate credited to plan participants.

The methodology used to calculate the interest crediting rate for the GIA is discretionary to Lincoln; however, the guaranteed crediting rate cannot be reset below 0%, at a minimum. Therefore, each participant's principal is guaranteed while the contract is in force. The crediting interest rate is set at the beginning of each calendar quarter. Participants should refer to the contract for further details covering the interest crediting methods.

Events that limit the Plan's ability to execute transactions at contract value with the issuer include market value adjustments and surrender charges. Events that would permit the issuer to terminate the contracts and settle at amounts that differ from contract value include, but are not limited to the following: failure to pay any charges Lincoln has billed, failure to furnish requested information or other documentation, misrepresentation of any material information by the contract owner, and if the plan ceases to meet requirements of the IRC. The plan administrator does not believe that the occurrence of any such event is probable.

Note 6 - Related-Party Transactions and Party in Interest Transactions

Certain plan investments are managed by Lincoln. Lincoln is the custodian of the Plan and, therefore, these transactions qualify as party-in interest transactions. Fees incurred by the Plan for the investment management services are included in investment income, as they are paid through revenue sharing, rather than a direct payment. As described in Note 2, the Plan made some direct payments to Lincoln and Pertius Benefits and Investments, Inc., the third party administrator of the Plan, which was not covered by revenue sharing. The Company pays directly any other fees related to the plan's operations.

Charter School Services of Michigan Inc. Retirement Plan
Notes to Financial Statements
December 31, 2012

Note 7 – Plan Investments

The Plan's investment assets, transactions, and income were held and certified by Lincoln, the custodian, as of and for the years ended December 31, 2012 and 2011, respectively.

Note 8 – Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the plan agreement to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In event of termination, participants become 100% vested in the current account balances.

Note 9 – Tax Status

The sponsor adopted a nonstandard prototype plan, which received a favorable opinion letter from the Internal Revenue Service (IRS), dated March 31, 2008, indicating that the prototype plan qualifies under Section 401(a) of the IRC and is therefore generally exempt from future taxes under present income tax laws. Once qualified, the Plan is required to operate in conformity with the IRC to maintain its qualification. The prototype plan has been amended since receiving this opinion letter. However, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan is qualified, and the related trust is tax-exempt.

The Plan files informational returns in the U.S. federal jurisdiction. US GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The statute of limitations is generally three years for federal returns.

Note 10 - Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for plan benefits.

Note 11 – Plan Asset Transfer

Effective July 1, 2012, Ojibwe Charter School was no longer utilizing the employee leasing services of the Company and, therefore, all participant account balances for Ojibwe Charter School were transferred out of the Plan and into a new plan with a different investment provider in 2012. This asset transfer is reflected in the Statement of Changes in Net Assets Available for Benefits.

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2012

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	LVIP Mid-Cap Value SA38		\$ 5,829
*	Lincoln National Life Ins. Co.	LVIP Vanguard Domestic Eq SA19		14,525
*	Lincoln National Life Ins. Co.	LVIP T.Rowe Growth Stock SA29		10,531
*	Lincoln National Life Ins. Co.	AB Global Thematic SA31		11,854
*	Lincoln National Life Ins. Co.	LVIP Del Growth & Income SA11		5,886
*	Lincoln National Life Ins. Co.	LVIP Delaware Bond SA12		31,949
*	Lincoln National Life Ins. Co.	Fed Gov Ultrashort Dur SA14		246,417
*	Lincoln National Life Ins. Co.	Columbia Acorn SA17		5,872
*	Lincoln National Life Ins. Co.	Franklin High Income SA20		32,321
*	Lincoln National Life Ins. Co.	VG LifeStrategy Mod Grw SA21		3,164
*	Lincoln National Life Ins. Co.	LVIP Mon Int'l Value SA22		38,192
*	Lincoln National Life Ins. Co.	SSgA Rusl All Cap Idx SA23		14,248
*	Lincoln National Life Ins. Co.	SSgA Rusl Sml Md Cp Idx SA24		1,050
*	Lincoln National Life Ins. Co.	Invesco Growth & Income SA28		16,960
*	Lincoln National Life Ins. Co.	VG LifeStrategy Cons Grw SA30		10,068
*	Lincoln National Life Ins. Co.	VG LifeStrategy Growth SA32		108
*	Lincoln National Life Ins. Co.	Delaware VIP Value SA61		27,450
*	Lincoln National Life Ins. Co.	Guaranteed Account		203,285
*	Lincoln National Life Ins. Co.	AmerFunds New Perspective SA34		5,407
*	Lincoln National Life Ins. Co.	Fidelity VIP ContraFund SA35		11,493
*	Lincoln National Life Ins. Co.	AB Small Mid Cap Value SA39		43,085
*	Lincoln National Life Ins. Co.	AmerFunds SMALLCAP World SA46		7,304
*	Lincoln National Life Ins. Co.	AmerFunds Growth America SA48		16,402
*	Lincoln National Life Ins. Co.	AmerFunds Invest Co Amer SA49		31,974
*	Lincoln National Life Ins. Co.	AmerFunds EuroPac Growth SA54		32,765
*	Lincoln National Life Ins. Co.	Delaware VIP SmCap Value SA56		1,711
*	Lincoln National Life Ins. Co.	LVIP Dimensionl US Equity SA57		24,543
*	Lincoln National Life Ins. Co.	Franklin Growth SA58		67,627
*	Lincoln National Life Ins. Co.	LVIP Vanguard Intl Equity SA59		1,071
*	Lincoln National Life Ins. Co.	WF Advantage Discovery SA63		5,413
*	Lincoln National Life Ins. Co.	Janus Aspen Enterprise SA64		19,579
*	Lincoln National Life Ins. Co.	Janus Aspen Janus SA70		32,671
*	Lincoln National Life Ins. Co.	MFS VIT Growth SA65		25
*	Lincoln National Life Ins. Co.	MFS VIT Utilities Series SA67		103

Charter School Services of Michigan Inc. Retirement Plan
Schedule of Assets (Held at End of Year)
December 31, 2012

PLAN NUMBER: 001
EIN: 38-3720787

FORM 5500, SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment	(d) Cost	(e) Current value
*	Lincoln National Life Ins. Co.	BlackRock Enrgy&Resources SA77		\$ 34,510
*	Lincoln National Life Ins. Co.	BlackRock Flexible Equity SA83		14,870
*	Lincoln National Life Ins. Co.	BlackRock Large Cap Value SA80		13,578
*	Lincoln National Life Ins. Co.	BlackRock Capital App SA81		3,283
*	Lincoln National Life Ins. Co.	AmerFunds Amer High-Inc SA1C		1,719
*	Lincoln National Life Ins. Co.	AmerFunds Bond America SA1E		250
*	Lincoln National Life Ins. Co.	LVIP SSgA S&P 500 Index SA27		56,368
*	Lincoln National Life Ins. Co.	LVIP SSgA Small-Cap Index SA36		54,346
*	Lincoln National Life Ins. Co.	LVIP Clarion Gbl Real Est SA55		37,492
*	Lincoln National Life Ins. Co.	LVIP Templeton Growth RPM SA62		33,390
*	Lincoln National Life Ins. Co.	Fidelity VIP Mid Cap SA84		4,324
*	Lincoln National Life Ins. Co.	Temp Glbal Bnd Securities SA86		7,005
*	Lincoln National Life Ins. Co.	Del Ltd-Term Div Income SA87		22,903
*	Lincoln National Life Ins. Co.	LVIPBkRk Infltn Protected SA92		8,287
*	Lincoln National Life Ins. Co.	Del VIP DiversifiedIncome SA93		22,139
*	Lincoln National Life Ins. Co.	Oppenheimer Dvlping Mrkts SA94		10,262
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ConservAll SA95		4,636
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn ModeratAll SA96		3,477
*	Lincoln National Life Ins. Co.	LVIP Del Fndtn AggressAll SA97		1,119
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2010 SAL1		1,589
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2020 SAL2		15,416
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2030 SAL3		404
*	Lincoln National Life Ins. Co.	LVIP Protected Prof 2040 SAL4		25,991
*	Lincoln National Life Ins. Co.	LVIP SSgA Internat'l Indx SAL5		2,604
*	Lincoln National Life Ins. Co.	SSgA Russ SC Gr lx Non-Ln SALC		312
*	Participant Loans	Interest rates are 4.25%, loan periods range from 12 to 60 months	- 0 -	18,369

(a) An asterisk in this column identified a person known to be a party-in-interest.