

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>NATIONAL PEO 401(K) 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>01/01/2001</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/2001</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/2001</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>NATIONAL PEO, LLC</u> <u>4800 N. SCOTTSDALE ROAD SUITE 2000</u> <u>SCOTTSDALE, AZ 85251</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>86-4301767</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>480-429-8098</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>541214</u></td> </tr> <tr> <td style="height: 40px;"></td> </tr> </table>	2b Employer Identification Number (EIN) <u>86-4301767</u>	2c Sponsor's telephone number <u>480-429-8098</u>	2d Business code (see instructions) <u>541214</u>	
2b Employer Identification Number (EIN) <u>86-4301767</u>					
2c Sponsor's telephone number <u>480-429-8098</u>					
2d Business code (see instructions) <u>541214</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	12/06/2013 Date	KEVIN STEELE Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature. Signature of employer/plan sponsor	12/06/2013 Date	KEVIN STEELE 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 1397
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	829
b Retired or separated participants receiving benefits.....	6b	2
c Other retired or separated participants entitled to future benefits.....	6c	21
d Subtotal. Add lines 6a , 6b , and 6c	6d	852
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	852
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	248
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0
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: 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>2</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 NATIONAL PEO 401(K) PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL PEO, LLC	D Employer Identification Number (EIN) 86-4301767	

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

JOHN HANCOCK USA

(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
01-0233346	65838	49246	0	01/01/2012	11/12/2012

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
38649	29403

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

LPL FINANCIAL CORPORATION
3260 N HAYDEN RD STE 201
SCOTTSDALE, AZ 85251

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
23562	NA		4

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

NATIONAL BENEFIT SERVICES, LLC
8523 SOUTH REDWOOD ROAD
WEST JORDAN, UT 84088

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	20771	NA	5

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule A (Form 5500) 2012
v. 120126

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

NYLINK INS. AGCY INC.

51 MADISON AVE ROOM 251
NEW YORK, NY 10010

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
11096		NA	4

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

SUNBURST PENSIONS

2919 E MENLO ST
MESA, AZ 85213

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
	8632	NA	5

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

AXA NETWORK

4135 NORTH FRONT STREET
HARRISBURG, PA 17110

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
3991		NA	4

(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	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	0

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	75138
c Additions: (1) Contributions deposited during the year	7c(1)	1056
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	79
(4) Transferred from separate account	7c(4)	0
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions	7c(6)	1135
d Total of balance and additions (add lines 7b and 7c(6))	7d	76273
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	75354
(2) Administration charge made by carrier	7e(2)	348
(3) Transferred to separate account	7e(3)	0
(4) Other (specify below)	7e(4)	571
▶ NEGATIVE MARKET VALUE ADJUSTMENT		
(5) Total deductions	7e(5)	76273
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

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 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 NATIONAL PEO 401(K) PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL PEO, LLC	D Employer Identification Number (EIN) 86-4301767	

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
35-0472300	65676	19132	352	01/01/2012	12/31/2012

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
7232	0

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

NATIONAL BENEFIT SERVICES, LLC
8523 SOUTH REDWOOD ROAD
WEST JORDAN, UT 84088

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	
7232			5

(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	628434
5 Current value of plan's interest under this contract in separate accounts at year end	5	5129540

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 ▶ **GENERAL ACCOUNTS**

b Balance at the end of the previous year	7b	0
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c Additions: (1) Contributions deposited during the year	7c(1)	8962	
(2) Dividends and credits	7c(2)		
(3) Interest credited during the year	7c(3)	1157	
(4) Transferred from separate account	7c(4)	620047	
(5) Other (specify below)	7c(5)	20797	

▶ **MAY INCLUDE LOAN REPAY/FORF/TKOVER ADJUSTMENTS**

(6) Total additions	7c(6)	650963
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d Total of balance and additions (add lines 7b and 7c(6))	7d	650963
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e Deductions:

(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	3352	
(2) Administration charge made by carrier	7e(2)	17	
(3) Transferred to separate account	7e(3)	14530	
(4) Other (specify below)	7e(4)	4630	

▶ **MAY INCLUDE LOAN ISSUES/FORF/FEEES
CORRECTIVES/ADJUSTMENTS/INS PRIMM**

(5) Total deductions	7e(5)	22529
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f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	628434
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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 NATIONAL PEO 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 NATIONAL PEO, LLC	D Employer Identification Number (EIN) 86-4301767	

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
JOHN HANCOCK USA

01-0233346

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

35-1140070

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

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

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 ☐

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
(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
(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
(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
(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
(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>NATIONAL PEO 401(K) 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>NATIONAL PEO, LLC</u>	D Employer Identification Number (EIN) <u>86-4301767</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>FED D1 ULTRASHORT DUR</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</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>26029</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>FG D1 MOD GRW</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</u>			
c EIN-PN <u>35-1140070-121</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>100761</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VG D1 CONS GRW</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</u>			
c EIN-PN <u>35-1140070-130</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>22748</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>VG D1 GROWTH</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</u>			
c EIN-PN <u>35-1140070-132</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>176877</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP D1 INTL EQUITY</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</u>			
c EIN-PN <u>35-1140070-159</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>586</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP D1 S & P 500 INDEX</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</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>42178</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LVIP D1 SMALL-CAP INDEX</u>			
b Name of sponsor of entity listed in (a): <u>LINCOLN NATIONAL CORPORATION</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>23028</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP BKRK D1 PROTECTED		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
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) 364

a Name of MTIA, CCT, PSA, or 103-12 IE: LVIP D1 BOND INDEX		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-709	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11364

a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA D1 LC VL IX NON-LN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-711	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 45996

a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA D1 LC GR IX NON-LN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-712	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 50121

a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA D1 MIDCP IDX NON-LN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-713	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 11879

a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA D1 SC VL IX NON-LN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-714	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 19984

a Name of MTIA, CCT, PSA, or 103-12 IE: SSGA D1 SC GR IX NON-LN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
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) 14660

a Name of MTIA, CCT, PSA, or 103-12 IE: PIMCO D1 RETURN		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-720	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 26033

a Name of MTIA, CCT, PSA, or 103-12 IE: STADION D1 BALANCED		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-722	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 364460

a Name of MTIA, CCT, PSA, or 103-12 IE: STADION D1 CONSERVATIVE		
b Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION		
c EIN-PN 35-1140070-705	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1581

a Name of MTIA, CCT, PSA, or 103-12 IE: STADION D1 GROWTH**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION

c EIN-PN 35-1140070-707	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 3434018
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a Name of MTIA, CCT, PSA, or 103-12 IE: STADION D1 MODERATE**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION

c EIN-PN 35-1140070-706	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 729098
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a Name of MTIA, CCT, PSA, or 103-12 IE: STATION D1 CAP PRES**b** Name of sponsor of entity listed in (a): LINCOLN NATIONAL CORPORATION

c EIN-PN 35-1140070-723	d Entity code P	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 27777
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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>NATIONAL PEO 401(K) 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>NATIONAL PEO, LLC</u>	D Employer Identification Number (EIN) <u>86-4301767</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)	4387	
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)		
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)	89185	181814
	(9) Value of interest in common/collective trusts.....	1c(9)		
	(10) Value of interest in pooled separate accounts.....	1c(10)	2051081	5129540
	(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)	74596	628434
	(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	2219249	5939788

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	2219249	5939788
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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)	266338	
(B) Participants	2a(1)(B)	658200	
(C) Others (including rollovers)	2a(1)(C)	8866	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		933404
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)	6018	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6018
(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)		0
(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)		0
(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)		0

		(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)		441336
(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		1380758

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	509087	
(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)		509087
f Corrective distributions (see instructions)	2f		822
g Certain deemed distributions of participant loans (see instructions).....	2g		12939
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	36777	
(2) Contract administrator fees	2i(2)	32973	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	264	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		70014
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		592862

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		787896
l Transfers of assets:			
(1) To this plan.....	2l(1)		4091611
(2) From this plan	2l(2)		1158968

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: CLIFTON LARSON ALLEN LLP

(2) EIN: 41-0746749

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		500000
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)

INVESTMENT PROPERTY ASSOCIATES 401(K)PS PLAN

PRO EM LLC 401(K) PLAN

5b(2) EIN(s)	5b(3) PN(s)
26-1514930	001
26-0147246	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>NATIONAL PEO 401(K) 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>NATIONAL PEO, LLC</u>	D Employer Identification Number (EIN) <u>86-4301767</u>

Part I	Distributions
---------------	----------------------

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>01-0233346</u> <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
-----------------	-------------------

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
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

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.
----------------	---

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): _____

NATIONAL PEO 401(K) PLAN

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2012 AND 2011

**NATIONAL PEO 401(K) PLAN
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YEARS ENDED DECEMBER 31, 2012 AND 2011**

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INDEPENDENT AUDITORS' REPORT

Plan Trustee
National PEO 401(k) Plan
Scottsdale, Arizona

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of National PEO 401(k) Plan, which comprise the statement of net assets available for benefits as of December 31, 2012, and the related statement 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

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 2012 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 on the 2012 financial statements.

Basis for Disclaimer of Opinion on the 2012 Financial Statements

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 3, which was certified by Lincoln National Life Insurance Company, the custodian of the Plan, except for comparing such information with the related information included in the 2012 financial statements. We have been informed by the Plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the custodian as of December 31, 2012 and for the period of November 5, 2012 to December 31, 2012, that the information provided to the Plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion on the 2012 Financial Statements

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on the 2012 Financial Statements* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the 2012 financial statements. Accordingly, we do not express an opinion on the 2012 financial statements.

Other Matters – Report on Supplementary Information and Report on 2011 Financial Statements

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012, is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion on the 2012 Financial Statements* paragraph, we do not express an opinion on this supplemental schedule.

We have audited the accompanying financial statements of National PEO 401(k) Plan which comprise the statement of net assets available for benefits as of December 31, 2011 and the statement of changes in net assets available for benefits for the year then ended, and in our report dated October 15, 2012, we expressed our opinion that such financial statements present fairly, in all material respects, net assets available for benefits of the Plan as of December 31, 2011 and the changes in net assets available for benefits for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Form and Content in Compliance With DOL Rules and Regulations for 2012 Financial Statement

The form and content of the information included in the 2012 financial statements and supplemental schedule, other than that derived from the information certified by the custodian, has 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.



CliftonLarsonAllen LLP

Phoenix, Arizona

November 14, 2013

NATIONAL PEO 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
INVESTMENTS (at Fair Value)		
Pooled Separate Accounts	\$ 5,129,540	\$ 2,051,081
Insurance Company General Accounts	628,434	-
Guaranteed Interest Account	-	74,596
Total Investments (at Fair Value)	<u>5,757,974</u>	<u>2,125,677</u>
RECEIVABLES		
Employee 401(k) Deferral	28,289	4,387
Employee Roth	4,693	-
Employer Contributions	13,962	-
Notes Receivable from Participants	181,814	89,185
Total Receivables	<u>228,758</u>	<u>93,572</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 5,986,732</u></u>	<u><u>\$ 2,219,249</u></u>

See Accompanying Notes to Financial Statements.

NATIONAL PEO 401(K) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
ADDITIONS TO NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTED TO:		
INVESTMENT INCOME (LOSS)		
Net Appreciation (Depreciation) in Fair Value of Pooled Separate Accounts	\$ 440,100	\$ (84,506)
Net Depreciation in Fair Value of Guaranteed Interest Account	-	(259)
Interest Income	1,235	-
Total Investment Income (Loss)	<u>441,335</u>	<u>(84,765)</u>
INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS	6,018	2,863
CONTRIBUTIONS		
Employee 401(k) Deferral	664,032	217,413
Employee Roth	27,151	-
Employee Rollover	8,866	149,509
Employer Contributions	280,300	-
Total Contributions	<u>980,349</u>	<u>366,922</u>
Total Additions	1,427,702	285,020
DEDUCTIONS FROM NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTED TO:		
BENEFITS PAID TO PARTICIPANTS	522,848	922,667
ADMINISTRATIVE EXPENSES	<u>70,014</u>	<u>31,071</u>
Total Deductions	<u>592,862</u>	<u>953,738</u>
NET INCREASE (DECREASE) PRIOR TO TRANSFERS	834,840	(668,718)
TRANSFERS TO OTHER PLANS	(1,158,968)	-
TRANSFERS FROM OTHER PLANS	<u>4,091,611</u>	<u>1,680,684</u>
NET INCREASE	3,767,483	1,011,966
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of Year	<u>2,219,249</u>	<u>1,207,283</u>
End of Year	<u><u>\$ 5,986,732</u></u>	<u><u>\$ 2,219,249</u></u>

See accompanying Notes to Financial Statements.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 1 DESCRIPTION OF PLAN

The following description of the National PEO 401(k) Plan (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan was established on January 1, 2001 by National PEO, LLC (the Company) and is a multiple-employer defined contribution plan. The Plan has been amended and restated throughout the years to comply with tax legislation. The Plan was last amended and restated effective April 1, 2012. The Plan covers all employees of the Company and employees of adopting participating employers. Employees of the Company are eligible for the Plan upon completion of one month of service. Employees of adopting participating employers are eligible for the Plan based on the eligibility requirements elected by the participating employer within their respective participation agreements. The Plan excludes employees who are members of a collective bargaining unit, non-resident aliens, and employees that were obtained via acquisitions or mergers. Prior to April 1, 2012, highly compensated employees were also excluded from the salary deferral portion of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Contributions

Participants may contribute up to 100% of their eligible compensation, as defined by the Plan. Employees may also contribute amounts representing distributions from other qualified plans. Participants over the age of 50 may make additional catch-up contributions. Participants direct the investment of contributions into various investment options offered by the Plan.

Effective April 1, 2012, the Plan provides a safe harbor matching contribution equal to 100% of deferrals, up to a maximum of 4% of compensation. Effective April 1, 2012, the Plan also added provisions for discretionary matching and profit sharing contributions. In order to share in the discretionary profit sharing contributions for a Plan year, a participant must be employed on the last day of the Plan year and complete a year of service in that Plan year.

Each adopting employer may, at its discretion, elect to make a matching contribution or profit sharing contribution to the Plan. Contributions are subject to certain limitations.

Vesting

Participants are immediately vested in their salary deferral, safe-harbor matching, and discretionary matching contributions, plus actual earnings thereon. Discretionary profit sharing contributions, plus actual earnings thereon, are subject to a graded vesting schedule based on years of service. A participant is 100% vested after six years of credited service.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 1 DESCRIPTION OF PLAN (CONTINUED)

Participant Accounts

Each participant's individual account is credited with salary deferral contributions, discretionary Company matching and profit sharing contributions, and Plan earnings or losses. Allocations are based on participant earnings or account balances as defined. Income is allocated daily based on the shares in the participant's account. The benefit to which a participant is entitled is the benefit that can be provided by the participants' account.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. Principal and interest is paid ratably through payroll deductions. Note terms are up to five years, except for notes to fund the purchase of a principal residence, for which the note may be repaid over a reasonable period that may exceed five years. The notes are secured by the balance in the participant's account and, effective April 1, 2012, bear an interest rate equal to 1% above the prime rate. Prior to April 1, 2012, the interest on notes was at a rate commensurate with local prevailing rates as determined quarterly by the Plan trustee. At December 31, 2012, the interest rates on outstanding notes ranged from 4.25% to 5.25%.

Payment of Benefits

Upon termination of service, death, disability, or retirement (age 65), the participant may receive the value of the vested interest in his or her account in the form of a lump sum distribution. Prior to April 1, 2012, the Plan also allowed distributions to be paid in the form of an annuity. The Plan allows for in-service distributions if a participant reaches age 59½ and hardship distributions subject to Plan provisions. If a participant terminates employment and the participant's account balance does not exceed \$1,000, the Plan administrator will authorize the benefit payment without the participant's consent. If the participant's account is between \$1,000 and \$5,000, the participant's account balance will be rolled over into an IRA account unless otherwise elected by the participant.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting.

Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

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 asset 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 market value measurement.

The asset 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the valuation methodologies used at December 31, 2012 and 2011.

In May 2011, the FASB issued Accounting Standards Update (ASU) 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards (IFRS)*, which amends current fair value measurement and disclosure guidance to converge with International Financial Reporting Standards and provides increased transparency around valuation inputs and investment categorization. ASU 2011-04 also requires new disclosures about qualitative and quantitative information regarding the unobservable inputs used in a fair value measurement that is categorized within Level 3 of the fair value hierarchy. The amendments in ASU 2011-04 are to be applied prospectively and are effective during annual and interim periods beginning after December 15, 2011. The Plan adopted this guidance effective for the Plan year ending December 31, 2012.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment Valuation and Income Recognition

The Plan's investments are valued 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. Investments in the pooled separate accounts are valued using the net asset value of units, which are based on observable market prices for the underlying assets, held by the Plan at year-end. Investments in guaranteed investment contracts and insurance company general accounts are valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer. In determining the reasonableness of the methodology, the Investment Committee evaluates a variety of factors including review of existing contracts, economic conditions, industry and market developments, and overall credit ratings. Certain unobservable inputs are assessed through review of contract terms (for example, credited rate determined quarterly) while others are substantiated utilizing available market data (for example, market value adjustment).

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 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.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Net (depreciation) appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Administrative Expenses

The Company pays certain administrative expenses on behalf of the Plan.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management or the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Benefit Payments

Benefit payments are recorded when paid.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable are reclassified as distributions based upon the terms of the plan document.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these financial statements, the Plan has evaluated events and transactions for potential recognition or disclosure through November 14, 2013, the date the financial statements were available to be issued.

NOTE 3 CERTIFICATION OF INVESTMENT INFORMATION

Lincoln National Life Insurance Company, the custodian of the Plan effective November 5, 2012, has certified to the completeness and accuracy of the information reflected on the accompanying statement of net assets available for benefits as of December 31, 2012, the schedule of assets (held at end of year) as of December 31, 2012, and the related investment activity reflected in the statement of changes in net assets available for benefits for the period from November 5, 2012 through December 31, 2012 as follows:

Participant-directed investments as shown in the accompanying statement of net assets available for benefits of \$5,757,974.

Net investment income as shown in the accompanying statement of changes in net assets available for benefits of \$154,827 for the year ended December 31, 2012.

NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 4 FAIR VALUE OF INVESTMENTS

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

2012				
	Level 1	Level 2	Level 3	Total
Assets:				
Pooled Separate Accounts:				
Small Blend/Growth	\$ -	\$ 37,688	\$ -	\$ 37,688
Large Blend	-	42,178	-	42,178
Foreign Large Blend	-	586	-	586
Large Growth/Value	-	116,101	-	116,101
Mid-Cap Blend	-	11,879	-	11,879
Conservative Allocation	-	22,748	-	22,748
Aggressive Allocation	-	176,877	-	176,877
Moderate Allocation	-	100,760	-	100,760
Inflation-Protected Bond	-	363	-	363
Intermediate Term Bond	-	37,397	-	37,397
Ultrashort Bond	-	26,029	-	26,029
Managed Separate Accounts	-	4,556,934	-	4,556,934
Total Pooled Separate Accounts	-	5,129,540	-	5,129,540
Insurance Company General Accounts	-	-	628,434	628,434
Total Investments at Fair Value	<u>\$ -</u>	<u>\$ 5,129,540</u>	<u>\$ 628,434</u>	<u>\$ 5,757,974</u>

2011				
	Level 1	Level 2	Level 3	Total
Assets:				
Pooled Separate Accounts:				
Asset Allocation - Lifestyle	\$ -	\$ 1,359,608	\$ -	\$ 1,359,608
Aggressive Growth	-	89,221	-	89,221
Growth	-	206,741	-	206,741
Bond	-	105,794	-	105,794
Income	-	49,791	-	49,791
Specialty	-	184,117	-	184,117
Money Market	-	55,809	-	55,809
Total Pooled Separate Accounts	-	2,051,081	-	2,051,081
Guaranteed Interest Account	-	-	74,596	74,596
Total Investments at Fair Value	<u>\$ -</u>	<u>\$ 2,051,081</u>	<u>\$ 74,596</u>	<u>\$ 2,125,677</u>

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)

The following tables set forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31:

	2012		2011
	Insurance Co. General Accounts	Guaranteed Interest Account	Guaranteed Interest Account
Balance, Beginning of Year	\$ -	\$ 74,596	\$ 8,415
Interest Income	1,156	79	-
Purchases	649,807	1,056	66,181
Sales	(22,529)	(75,731)	-
Balance, End of Year	<u>\$ 628,434</u>	<u>\$ -</u>	<u>\$ 74,596</u>

The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs for the year ended December 31, 2012:

Instrument	Fair Value	Principal Valuation Technique	Unobservable Inputs	Range of Significant Input Values
Managed Principal Protection Portfolio	\$ 608,321	Assumed proceeds at discontinuance	Composite crediting rate	1.00% minimum; rates reset quarterly
Guaranteed Stable Value Account	20,113	Assumed proceeds at discontinuance	Composite crediting rate	0%; as determined by Group Annuity Contract

NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011

NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)

The following tables set forth additional disclosures for the fair value measurement of investments in certain entities that calculate net asset value per share (or its equivalent) as of December 31:

Investment Type	2012			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Pooled Separate Accounts:				
Small Blend/Growth	\$ 37,688	\$ -	Daily	Daily
Large Blend	42,178	-	Daily	Daily
Foreign Large Blend	586	-	Daily	Daily
Large Growth/Value	116,101	-	Daily	Daily
Mid-Cap Blend	11,879	-	Daily	Daily
Conservative Allocation	22,748	-	Daily	Daily
Aggressive Allocation	176,877	-	Daily	Daily
Moderate Allocation	100,760	-	Daily	Daily
Inflation-Protected Bond	363	-	Daily	Daily
Intermediate Term Bond	37,397	-	Daily	Daily
Ultrashort Bond	26,029	-	Daily	Daily
Managed Separate Accounts	4,556,934	-	Daily	Daily

Investment Type	2011			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Pooled Separate Accounts:				
Asset Allocation - Lifestyle	\$ 1,359,608	\$ -	Daily	Daily
Aggressive Growth	89,221	-	Daily	Daily
Growth	206,741	-	Daily	Daily
Bond	105,794	-	Daily	Daily
Income	49,791	-	Daily	Daily
Specialty	184,117	-	Daily	Daily
Money Market	55,809	-	Daily	Daily

The Small Blend/Growth funds seek to approximate as closely as practicable, before fees and expenses, the performance of the Russell 2000 Index, which emphasizes stocks of small U.S. companies by investing in stocks of companies included in the Russell 2000 Index and in related derivative instruments.

The Large Blend funds seek to approximate as closely as practicable, before fees and expenses, the total rate of return of common stocks publicly traded in the United States, as represented by the S&P 500 Index by investing at least 90% of its net assets in the securities of issuers included in the S&P 500 Index.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)

The Foreign Large Blend funds seek long-term capital appreciation by investing in foreign equity securities.

The Large Growth/Value funds seek an investment return that approximates the performance of the Russell 1000 Growth/Value index over the long term by investing in stocks of companies included in the Russell 1000 Index.

The Mid-Cap Blend funds seek an investment return that approximates the performance of the S&P MidCap 400 Index over the long term by investing in stocks of companies included in the S&P MidCap 400 Index.

The Conservative Allocation funds seek current income and low to moderate capital appreciation by investing in diversified mutual funds.

The Aggressive Allocation funds seek capital appreciation and some current income by investing in diversified mutual funds.

The Moderate Allocation funds seek capital appreciation and a low to moderate level of current income by investing in diversified mutual funds.

The Inflation-Protected Bond funds seek to maximize real return, consistent with preservation of real capital and prudent investment management by investing in inflation-indexed bonds of varying maturities.

The Intermediate Term Bond funds seek maximum return, consistent with preservation of capital and prudent investment management by investing in diversified fixed income securities.

The Ultrashort Bond funds seek current income by investing in a portfolio of US government securities and US government agency securities with an overall duration of one year or less.

The Managed Separate Account seeks to utilize a core/satellite approach to invest and reinvest contributions allocated to the respective fund in shares of equity and fixed income exchanged funds and cash or cash equivalents to seek the respective risk objective based on the Stadion Managed Conservative, Growth, Moderate, Capital Preservation, and Balanced funds.

The Lifestyle funds invest in conservative, income, growth, income growth and aggressive growth funds to seek the respective objective.

The Aggressive Growth funds seek maximum long-term capital appreciation by focusing on stock selection on companies that are believed to offer above-average potential for growth in revenue and earnings.

The Growth funds seek growth of capital and long-term total return by investing primarily in common stocks of companies in the U.S. and foreign countries.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 4 FAIR VALUE OF INVESTMENTS (CONTINUED)

The Bond funds' objective is to seek total return by investing in fixed income securities. To achieve this, the fund primarily invests in investment-grade bonds, although it may invest in lower-quality bonds and foreign securities.

The Income funds seek maximum total return and current income by investing in corporate and government bonds.

The Specialty funds' objective is to seek income and capital appreciation by investing in stocks and bonds of large U.S. companies, stocks of companies that manage, finance, or own real estate of various types, or bonds of any maturity by issuers located in at least three countries, including the U.S.

The Money Market funds' objective is to provide principal protection by investing in short-term instruments issued by the U.S. government or large corporations that mature in 13 months or less.

NOTE 5 INVESTMENTS

The following table presents investments that represent 5% or more of the Plan's net assets at December 31:

	2012	2011
<u>Pooled Separate Accounts</u>		
Stadion Managed Moderate	\$ 729,098	\$ -
Managed Principal Protection Portfolio	608,321	-
Stadion Managed Balanced	364,460	-
Stadion Managed Growth	3,434,018	-
Lifestyle Moderate	-	200,935
Lifestyle Balanced	-	376,158
Lifestyle Growth	-	487,341
Lifestyle Conservative	-	132,253
Lifestyle Aggressive	-	162,921

NOTE 6 INSURANCE COMPANY CONTRACTS

In 2012, the Plan entered into a group annuity contract with Lincoln Financial Group. Lincoln Financial Group maintains the Plan's assets in the insurance company general account and pooled separate accounts. Investment in the insurance company general account will guarantee the return of principal plus compound interest earned for which rates are reset quarterly. Due to the transfer restrictions within the contract, it is not deemed to be fully benefit-responsive. The contract is included in the financial statements at fair value as reported to the Plan by Lincoln Financial Group.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 6 INSURANCE COMPANY CONTRACTS (CONTINUED)

The Plan entered into an investment contract with John Hancock Life Insurance Company USA. John Hancock maintained the Plan's assets in guaranteed interest accounts and pooled separate accounts. Guaranteed interest accounts guarantee the return of principal plus compound interest earned over a defined term of three, five or ten years provided all contributions remain in the account until the end of the guarantee period. Due to the transfer restrictions within the contract, it is not deemed to be fully benefit-responsive. The contract is included in the financial statements at fair value as reported to the Plan by John Hancock. This contract was terminated effective November 5, 2012.

The Plan entered into an investment contract with John Hancock Life Insurance Company USA (John Hancock). John Hancock maintains the Plan's assets in guaranteed interest accounts and pooled separate accounts. Guaranteed interest accounts guarantee the return of principal plus compound interest earned for which rates are reset quarterly. Due to the transfer restrictions within the contract, it is not deemed to be fully benefit-responsive. The contract is included in the financial statements at fair value as reported to the Plan by John Hancock. Effective November 5, 2012, the contract was terminated with the change in service providers to Lincoln Financial Group.

NOTE 7 PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

NOTE 8 PLAN TAX STATUS

The Plan is placing reliance on an opinion letter dated March 31, 2008 received from the Internal Revenue Service on the volume submitter plan indicating that the Plan is qualified under Section 401 of the Internal Revenue Code (IRC) and is therefore not subject to tax under current income tax law. The Plan has been amended since receiving the 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.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2009.

**NATIONAL PEO 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 9 PARTY-IN-INTEREST TRANSACTIONS

Plan investments are managed by Lincoln Financial Group and John Hancock Life Insurance Company USA (John Hancock). Lincoln Financial Group and John Hancock are the custodians as defined by the Plan. Therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for investment management and administrative services were \$70,014 and \$31,071 for the years ended December 31, 2012 and 2011, respectively.

NOTE 10 RISKS AND UNCERTAINTIES

The Plan provides for investment in a variety of investment funds. In general, investments are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of the investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

NOTE 11 PLAN TRANSFERS

During 2012, various participating employers transferred their Plan assets out of the National PEO 401(k) Plan. The amount transferred out of the Plan totaled \$1,158,968.

Effective April 1, 2012, it was resolved to merge the NPEO Safe Harbor 401(k) Plan with the National PEO 401(k) Plan. As a result of the merger, \$4,091,611, representing the accounts of all participants, was transferred into the Plan on March 31, 2012.

NOTE 12 RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31:

	2012	2011
Net Assets Available for Benefits per the Financial Statements	\$ 5,986,732	\$ 2,219,249
Less: Employee Contribution Receivable	(32,982)	-
Less: Employer Contribution Receivable	(13,962)	-
Net Assets Available for Benefits per the Form 5500	<u>\$ 5,939,788</u>	<u>\$ 2,219,249</u>

The following is a reconciliation of the net increase per the financial statements to the Form 5500 for the year ended December 31, 2012:

	2012
Net Increase prior to transfers per the Financial Statements	\$ 834,840
Less: Employee Contribution Receivable	(32,982)
Less: Employer Contribution Receivable	(13,962)
Net Income per the Form 5500	<u>\$ 787,896</u>

NATIONAL PEO 401(K) PLAN
E.I.N. 86-4301767 PLAN NO. 001
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2012

(a)	(b)	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost Value **	(e) Current Value
Identity of Issue, Borrowing, Lessor, or Similar Party				
* Lincoln Financial Group		Vanguard LifeStrategy Moderate Growth		\$ 100,760
* Lincoln Financial Group		SSgA Russell Small Cap Value Index NL		19,984
* Lincoln Financial Group		Guaranteed Stable Value Acct		20,113
* Lincoln Financial Group		PIMCO Total Return		26,033
* Lincoln Financial Group		Vanguard LifeStrategy Growth		176,877
* Lincoln Financial Group		LVIP SSgA S&P 500 Index		42,178
* Lincoln Financial Group		LVIP BlackRock Inflation Protected Bond		363
* Lincoln Financial Group		Stadion Managed Moderate		729,098
* Lincoln Financial Group		LVIP SSgA Small-Cap Index		23,028
* Lincoln Financial Group		SSgA S&P MidCap Index NL		11,879
* Lincoln Financial Group		SSgA Russell Large Cap Growth Index NL		50,121
* Lincoln Financial Group		LVIP SSgA Bond Index		11,364
* Lincoln Financial Group		Vanguard LifeStrategy Conservative Growth		22,748
* Lincoln Financial Group		SSgA Russell Small Cap Growth Index NL		14,660
* Lincoln Financial Group		Federated Government Ultrashort Duration		26,029
* Lincoln Financial Group		Managed Principal Protection Portfolio		608,321
* Lincoln Financial Group		Stadion Managed Balanced		364,460
* Lincoln Financial Group		LVIP Vanguard International Equity ETF		586
* Lincoln Financial Group		Stadion Managed Capital Preservation		27,777
* Lincoln Financial Group		Stadion Managed Growth		3,434,018
* Lincoln Financial Group		Stadion Managed Conservative		1,581
* Lincoln Financial Group		SSgA Russell Large Cap Value Index NL		45,996
* Participants		Participant Loans, Interest 4.25-5.25%	-	181,814
Total				<u><u>\$ 5,939,788</u></u>

* Indicates party-in-interest

** Cost omitted for participant-directed investments

National PEO 401(k) PlanThree-digit plan number (PN): **001**Employer Identification Number: **86-4301767****Schedule of Assets Held for Investment Purposes At End of Year 2012**

[a]	[b] Identify of issue, borrower, lessor, or similar party	[c] Description of investment	[d] Cost	[e] Current Value
*	Lincoln Financial Group	Fed D1 Ultrashort Dur	N/A	26,029.22
*	Lincoln Financial Group	VG D1 Mod Grw	N/A	100,760.57
*	Lincoln Financial Group	VG D1 Cons Grw	N/A	22,747.56
*	Lincoln Financial Group	VG D1 Growth	N/A	176,876.51
*	Lincoln Financial Group	LVIP D1 Intl Equity	N/A	586.16
*	Lincoln Financial Group	LVIP D1 S&P 500 Index	N/A	42,178.05
*	Lincoln Financial Group	LVIP D1 Small-Cap Index	N/A	23,028.39
*	Lincoln Financial Group	LVIPBkRk D1 Protected	N/A	363.59
*	Lincoln Financial Group	LVIP D1 Bond Index	N/A	11,363.54
*	Lincoln Financial Group	SSgA D1 LC VI Ix Non-Ln	N/A	45,996.48
*	Lincoln Financial Group	SSgA D1 LC Gr Ix Non-Ln	N/A	50,120.64
*	Lincoln Financial Group	SSgA D1 MidCp Idx Non-Ln	N/A	11,879.09
*	Lincoln Financial Group	SSgA D1 SC VI Ix Non-Ln	N/A	19,983.97
*	Lincoln Financial Group	SSgA D1 SC Gr Ix Non-Ln	N/A	14,659.71
*	Lincoln Financial Group	PIMCO D1 Return	N/A	26,033.03
*	Lincoln Financial Group	Stadion D1 Balanced	N/A	364,459.94
*	Lincoln Financial Group	Stadion D1 Conservative	N/A	1,580.68
*	Lincoln Financial Group	Stadion D1 Growth	N/A	3,434,017.78
*	Lincoln Financial Group	Stadion D1 Moderate	N/A	729,097.68
*	Lincoln Financial Group	Stadion D1 Cap Pres	N/A	27,777.44
*	Lincoln Financial Group	Mgd D1 Protect Portfolio	N/A	608,320.78
*	Lincoln Financial Group	Guaranteed D1 Value Acct	N/A	20,113.20

\$ 5,757,974.01

	PARTICIPANT LOANS	Rates 4.25 to 5.25%	\$ 181,813.88
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Total Assets

\$ 5,939,787.89
